

FBIS

DAILY REPORT

CONTENTS

China

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PRC INTERNATIONAL AFFAIRS

GENERAL

Foreign Ministry Spokesman Holds Weekly Briefing	A 1
Dismisses SRV Memorandum	A 1
Envoy to Palme's Funeral Named	A 1
Danish Prime Minister To Visit	A 1
Djibouti Minister To Visit	A 1
UN Body Adopts Afghanistan, Cambodia Resolution	A 2
Delegate Speaks at UNCTAD Board Meeting	A 2
U.S., USSR Urged To Halt Nuclear Tests	A 3
Sweden, USSR Resume Border Dispute Talks	A 3
Developing Countries Urge Freer Textile Trade	A 4

UNITED STATES

Chinese Peace Delegation Leaves for U.S.	B 1
Construction Continues on Sino-U.S. Coal Mine	B 1
Wang Zhen Fetes U.S. Hotel Chain President	B 1
Weinberger on Europe-Based Missiles, ANZUS, Japan	B 2

SOVIET UNION

U.S. Demand for UN Staff Reduction Protested	C 1
Soviet Envoy Remarks on USSR-U.S. Arms Talks	C 1

NORTHEAST ASIA

Cuba's Castro Ends Visit to DPRK 11 Mar	D 1
Opposition Parties Demonstrate in Seoul	D 1

SOUTHEAST ASIA & PACIFIC

CITIC Official on Acquisition of Ka Wah Bank	E 1
Hong Kong Property Group Chairman Prosecuted	E 1
Yunnan Governor Heads Provincial Group to Burma	E 2
Australian Governor General Meets PRC Officials	E 2
Aquino Receives PRC Cultural Delegation	E 3
Philippines To Discuss Revolutionary Government	E 3

SOUTH ASIA

Further on Li Xiannian's Visit to Sri Lanka	F 1
President Hails Good Relations	F 1
11 March Banquet Speeches	F 1
Media Welcomes Li	F 3
Li Pays Courtesy Call	F 3
Meets Former Prime Minister	F 3
UN Afghanistan Mediator Leaves for Kabul	F 4
Xizang's Qamco Leads Trade Delegation to Nepal	F 4

WESTERN EUROPE

Zheng Tianxiang Meets French Court Delegation	G 1
Italian Industries Allowed To Take Part in SDI	G 1
XINHUA Analysis of Spanish Referendum on NATO	G 2

EASTERN EUROPE

Polish Assembly Leader Meets PRC Ambassador	H 1
PRC-CSSR Sports Exchange Pact Signed in Beijing	H 1
Part of Poland's Debt to West Rescheduled	H 1

MIDDLE EAST & AFRICA

Kenya Leader Hopes To Increase Contacts	I 1
Chinese Handicrafts Exhibit Opens in Tunis	I 1
Zhu Liang Hosts Dinner for Rwandan Visitors	I 1

PRC NATIONAL AFFAIRS

NPC Standing Committee Begins 15th Meeting	K 1
Draft Education Law Discussed	K 2
Mineral Resources Law Viewed	K 3
Civil Code Examined	K 5
Foreign Investment Law Gauged	K 6
Science, Technology Development Reviewed	K 6
[LIAOWANG 3 Mar]	
Tian Jiyun, Wan Li at Urban Economic Meeting	K 10
LIAOWANG on Opening Hinterland, Border Areas [3 Mar]	K 13
National Family Planning Meeting Ends 4 March	K 16
[RENMIN RIBAO 5 Mar]	
Aviation Industry Develops in Sixth 5-Year Plan	K 17
[CHINA DAILY 8 Mar]	
23.7 Billion Yuan in Treasury Bonds Issued	K 17
Bank Reports Increased Urban Residents' Deposits	K 18
[CHINA DAILY 11 Mar]	
Deng Pufang Remarks on Deng Xiaoping's Health	K 19
Deng Liqun at Beijing Students Meeting	K 19
Officials Attend Sun Yat-sen Death Anniversary	K 19
Kang Keqing at Exhibit Honoring Sun Yat-sen	K 20
Gu Mu Heads New Tourist Coordinating Group	K 20
Deng Xiaoping Writes Title for Fang Zhimin Book	K 21
Commission Coordinates Project Construction	K 21

PRC REGIONAL AFFAIRS

EAST REGION

Jiangsu's Han Peixin, Other Leaders Plant Trees	O 1
Jiangsu Leaders Attend Women's Day Meeting	O 1
Wan Shaofen Addresses Forum on Old Base Area	O 1
Wan Shaofen Addresses Jiangxi Women's Day Meeting	O 2
Shanghai Party Congress Secretary General Named	O 3
[WEN HUI BAO 4 Mar]	
Namelist of Shanghai Party Congress Presidium	O 3
[WEN HUI BAO 4 Mar]	
Rui Xingwen Addresses Shanghai Women's Forum	O 4
Zhejiang's Wang Fang on Protecting Women's Rights	O 4

CENTRAL-SOUTH REGION

Guangdong Discipline Commission Comments on Bribery Case	P 1
[YANGCHENG WANBAO 5 Mar]	
Guangdong Meeting on Improving Party Work Style	P 2
Hainan Meetings Study Central Leaders' Instructions	P 2
Henan: Yang Xizong Calls for Popularizing Technology	P 3
Hubei Leader Urges Discipline Inspection Committee Meeting	P 3
Hunan Leaders Meet Members of Advanced Example Group	P 4

NORTHEAST REGION

Heilongjiang Secretary Attends Meeting on Party Style	S 1
Heilongjiang's Sun Weiben Speaks at Meeting of Cadres	S 1
Heilongjiang's Sun Weiben Speaks at Rally for Women	S 2
Jilin Provincial People's Congress Session Opens	S 2
Namelist of Personnel Changes	S 4
[JILIN RIBAO 22 Feb]	
Jilin Secretary Speaks at Greening Committee Meeting	S 5
Fourth Session of Fifth Jilin Provincial CPPCC Committee Opens	S 5

TAIWAN

Premier Comments on ADB Membership, Shareholding	V 1
'Absolutely No Military Interference' in Politics	V 1
No 'Crisis of Strong-Man Politics' Seen	V 1
CHINA POST Editorial on Hong Kong After 1997 [7 Mar]	V 2

HONG KONG MEDIA ON CHINA

PRC Summation of Sixth 5-Year Plan Viewed	W 1
[HSIN WAN PAO 7 Mar]	
Agreement With French Reactor Builder 'Expected'	W 2
[SOUTH CHINA MORNING POST 8 Mar]	

FOREIGN MINISTRY SPOKESMAN HOLDS WEEKLY BRIEFING

Dismisses SRV Memorandum

OW120824 Beijing XINHUA in English 0819 GMT 12 Mar 86

[Text] Beijing, March 12 (XINHUA) -- A Chinese Foreign Ministry spokesman today condemned the recent Vietnamese memorandum as attacking China and trying to cover up its acts of aggression against its neighbors.

Speaking at a weekly press briefing here this afternoon, the spokesman said that Vietnam's Foreign Ministry issued a memorandum on Sino-Vietnamese relations on March 10, "wantonly distorting the true state of affairs of Sino-Vietnamese relations". He said that in the memorandum the Vietnamese Foreign Ministry made unwarranted accusations and attacks against China and used hypocritically such terms as "dialogue" and "sincerity" to cover up its persistent acts of aggression and expansion, and hostility in its relations with its neighbors.

He said that the memorandum issued by the Foreign Ministry of China on February 12 this year brought to light with indisputable facts the real situation about the Vietnamese authorities stepping up their aggression against Kampuchea and creating tension along the Sino-Vietnamese border. "The sophistry and fallacy of the Vietnamese authorities can deceive nobody and are not worth refuting," he added.

Envoy To Palme's Funeral Named

OW120820 Beijing XINHUA in English 0815 GMT 12 Mar 86

[Text] Beijing, March 12 (XINHUA) -- Chinese Government's special envoy and Minister of Public Health Cui Yueli will attend the funeral and commemorative activities for the late Swedish Prime Minister Olof Palme scheduled for March 15. This was announced by a Chinese Foreign Ministry spokesman at a weekly news briefing here today. The spokesman said that the Chinese Vice-Minister of Foreign Affairs Zhou Nan and Chinese Ambassador to Sweden Wu Jiagan will also attend the funeral.

Danish Prime Minister To Visit

OW120836 Beijing XINHUA in English 0822 GMT 12 Mar 86

[Text] Beijing, March 12 (XINHUA) -- Prime Minister of the Kingdom of Denmark Poul Schluter will pay an official visit to China from March 23 to 30 at the invitation of Chinese Premier Zhao Ziyang. This was announced by a Chinese Foreign Ministry spokesman at a weekly press briefing here this afternoon.

According to the spokesman, bilateral relations between China and Denmark had developed constantly since the establishment of diplomatic relations between the two countries in 1950. He recalled the visits to China by her majesty Margrethe II, queen of Denmark, and two former Danish prime ministers, and Premier Zhao Ziyang's visit to Denmark. The total volume of trade between the two countries in 1985 registered 170 million U.S. dollars.

Djibouti Minister To Visit

OW120830 Beijing XINHUA in English 0817 GMT 12 Mar 86

[Text] Beijing, March 12 (XINHUA) -- Moumin Bahdon Farah, minister of foreign affairs and cooperation of the Republic of Djibouti, will pay a goodwill visit to China from March 19 to 24, said a spokesman of the Chinese Ministry of Foreign Affairs at a weekly news briefing here today. China and Djibouti established diplomatic relations in January, 1979.

UN BODY ADOPTS AFGHANISTAN, CAMBODIA RESOLUTION

OW111840 Beijing XINHUA in English 1834 GMT 11 Mar 86

[Text] Geneva, March 11 (XINHUA) -- The 42nd session of the United Nations Human Rights Commission adopted resolutions Monday calling for withdrawal of foreign troops from Afghanistan and Kampuchea.

The Afghanistan resolution calls for the immediate withdrawal of foreign troops and a political settlement to problems there. It says that on the basis of full respect for Afghanistan's independence, sovereignty and territorial integrity, the foreign troops should withdraw from the country immediately.

A resolution on Kampuchea reiterates the commission's condemnation of the persistent and flagrant violations of human rights in Kampuchea. It deplores the continued defiance of the fundamental principles of human rights and the U.N. Charter, particularly the repeated military attacks on civilians along the Thai-Kampuchean borders. It emphasizes that the withdrawal of all foreign forces from Kampuchea, the restoration of Kampuchea's independence, sovereignty and territorial integrity, the recognition of the Kampuchean people's right to self-determination and the commitment by all states to non-interference and non-intervention are essential components of a just and durable solution to the Kampuchean problem. The session, which is scheduled to end on March 14, also adopted resolutions concerning Palestine and southern Africa.

DELEGATE SPEAKS AT UNCTAD BOARD MEETING

OW120758 Beijing XINHUA in English 0714 GMT 12 Mar 86

[Text] Geneva, March 11 (XINHUA) -- China said today high interest rates and high exchange rates of the U.S. dollar have resulted in the worsening of the debt problem and increasing trade protectionism on the part of the developed countries have further aggravated the problem.

In his speech on trade and development issues at the 32nd session of the Trade and Development Board of the United Nations Conference on Trade and Development (UNCTAD), Li Zhimin, representative of the Chinese delegation, pointed out that following a relatively speedy world economic recovery in 1984, the momentum of the recovery weakened visibly in 1985, and a situation of slow growth emerged. Li said that failure of keeping their commitment to halt trade protectionism reiterated by the developed countries was responsible for hindering the world trade from developing in the direction towards "liberalization."

Protectionist measures had increased and the world-wide trade war became increasingly fierce, with new development both in breadth and depth, Li noted. "The developing countries were hit particularly hard in the exporting sectors of iron and steel, shoes, textiles and farm products". The Chinese representative appealed to the developed countries to faithfully observe the commitments of "standstill" and "rollback" by reducing or eliminating non-tariff barriers, opening their markets to the developing countries, providing them with more preferential treatment and reviewing their existing anti-dumping and counter-vailing duty legislation so as to free the exports of the developing countries from unreasonable obstructions.

Li pointed out that the external debt of the developing countries increased to 970 billion U.S. dollars in 1985, and debt repayment in 1985 alone cost these countries 140 billion dollars.

Between 1980-1985, the annual growth rate of debt of the developing countries was as high as 9.7 percent, while their economic growth rate was only 3 to 4 percent and the growth rate of their export earnings merely 2.7 percent. Therefore, Li stressed, without an appropriate solution, the debt problem would not only affect the economic development of the developing countries, but also endanger the world economic system as a whole. He said China supported the developing countries' reasonable demand in seeking a solution to the problem. Including lowering interest rates in real terms, improving terms of debt servicing, opening the markets of developed countries to the developing countries, and genuinely checking trade protectionism.

Regarding the question of development of the developing countries, Li Zhimin said that the old irrational international economic order was seriously impeding their development, and therefore needed to be reformed. The international community should create a sound international economic environment for the economic development of the developing countries, and to this end, corresponding reforms should also be effected in the international monetary and trading systems, Li also stressed.

U.S., USSR URGED TO HALT NUCLEAR TESTS

OW111952 Beijing XINHUA in English 1936 GMT 11 Mar 86

[Text] Washington, March 11 (XINHUA) -- Six world leaders have appealed to U.S. President Ronald Reagan and Soviet leader Mikhail Gorbachev to halt further nuclear tests until their next summit meeting. The appeal, made by India, Argentina, Mexico, Tanzania, Greece and Sweden, was made public by U.S. members of Congress yesterday in a news conference.

The Soviet Union responded to the last appeal by the same six countries by sending a letter to the six leaders informing them of its willingness to observe a moratorium on nuclear weapons testing which it implemented last August. However, the U.S. reaction seems to be rather cool. The only U.S. response has been a bland three-paragraph State Department statement saying the proposal was under study but it failed to give any concrete measures halting nuclear testing.

SWEDEN, USSR RESUME BORDER DISPUTE TALKS

OW101920 Beijing XINHUA in English 1908 GMT 10 Mar 86

[Text] Stockholm, March 10 (XINHUA) -- Sweden and the Soviet Union today resumed talks on the disputed border area on the Baltic Sea after four years of suspension, indicating a thawing in what have been icy relations between the countries. The Swedish delegation attending the talks is headed by Lennart Myrsten, an ambassador-level official, and the Soviet negotiators are led by Yuriy Rybakov, director of the Treaty-Legal Department of the Soviet Foreign Ministry.

Sweden and the Soviet Union have long been at odds over some areas on the Baltic Sea. The Swedish Government has held that the border line there should be drawn between the Gotland Island, which is under its jurisdiction, and the Soviet territories. The Soviets, however, have insisted that the line should go between the Soviet territories and the Swedish mainland. The dispute involves an area of some 3,500 square kilometers east of Gotland Island. To settle the dispute, Sweden and the Soviet Union held several rounds of negotiations in 1969, 1970, 1974 and 1982, but reached no accommodation. The talks were stalled as bilateral relations deteriorated after Sweden discovered a stranded Soviet submarine within its territorial waters, close to the major southern Swedish naval base at Karlskrona, in October 1981.

Before the resumption of the talks, the two countries had made several unofficial contacts. Pierre Schori, state secretary of the Swedish Foreign Ministry, visited the Soviet Union earlier this year and brought back a message that the Soviets were softening their stand on the border dispute. Prior to today's meeting, Soviet

Ambassador to Sweden Boris Pankin told the Swedish news agency that the Soviet side is ready to "seek a genuine compromise solution" to the complicated border dispute on the basis of fairness. Relations between the two nations have been improving since 1985, he added.

DEVELOPING COUNTRIES URGE FREER TEXTILE TRADE

OW081236 Beijing XINHUA in English 1215 GMT 8 Mar 86

[Text] Beijing, March 8 (XINHUA) -- Representatives of the developing textiles and clothing export countries have co-ordinated their positions after 5 days of meeting here. In a press statement released today, they urged developed countries to substantially liberalize textiles and clothing trade and phase out restrictive and discriminatory measures on import of these products from developing countries.

The statement says that the GATT (General Agreement on Tariff and Trade) contracting parties were currently engaged in preparing for a new program of multilateral trade negotiations with a view to liberalizing all sectors of international trade and strengthening the multilateral trading system. In this context the meeting representatives emphasized that the present trade regime in textiles had to be liberalized in the removal of restraints and be phased out over an agreed time frame, under strengthened GATT disciplines. It was agreed that modalities for these objectives will consist of progressively higher growth rates, non-discriminatory treatment for developing countries, reduction of restraints and coverage, removal of ambiguities, effective surveillance, preferential treatment for small suppliers, new entrants, cotton and wool based exporters and most favorable treatment for the least developed countries without prejudice to the trade interests of established developing suppliers and a phase out system.

The press statement continues, it was noted that despite positive trends in key economic indicators some importing countries were both at multilateral and bilateral levels pressing through numerous devices, for a continuation of protective and restrictive rather than a liberalized regime for developing countries' exports of textiles and clothing. It was agreed that any modalities for liberalization and phase out system should ensure equity, non-discrimination, non-reciprocity and other clearly liberal conditions for the developing countries. The developing countries and regions reached understanding on the main elements for negotiation in the process taking place in Geneva between now and the end of July. They resolved to continue to participate in that process on a unified basis.

The meeting closed today. More than 120 representatives from 23 developing countries and regions have since the opening of the meeting on March 4 assessed the developments in world trade in textiles and clothing and the prospects for negotiations on the future of the MFA (Multi-fiber Agreement), and co-ordinated their positions on textiles and clothing trade protectionism as practised by developed countries.

Felipe Jaramillo, vice-chairman of the meeting and chairman of the council of the International Textiles and Clothing Bureau, told XINHUA that the meeting was very successful and the participants have reached agreement on many major questions. However, he added, it is still necessary for developing countries to unite in their struggle and make even greater effort to meet their projected target. The developing textiles and clothing export countries accepted the invitation of the Government of Turkey to host the next meeting in Istanbul in October 1986.

CHINESE PEACE DELEGATION LEAVES FOR U.S.

OW120650 Beijing XINHUA in English 0638 GMT 12 Mar 86

[Text] Beijing, March 12 (XINHUA) -- A six-member delegation from the Chinese People's Association for Peace and Disarmament, left here this morning for the United States. The delegation is to attend the annual meeting of the U.S. organization of "Physicians for Social Responsibility" and also to pay a friendly visit to the country at the invitation of the U.S. peace organizations. Head of the delegation is a noted Chinese surgeon Wu Weiran, who is a member of the executive board of the Chinese Medical Association and honorary director of the Beijing Hospital.

CONSTRUCTION CONTINUES ON SINO-U.S. COAL MINE

OW120842 Beijing XINHUA in English 0832 GMT 12 Mar 86

[Text] Beijing, March 12 (XINHUA) -- Construction continues ahead of schedule at the Northern China Coal Mine jointly developed by China and Occidental Petroleum of the United States, "PEOPLE'S DAILY" reported today. In the last half of 1985, workers moved more than 4.9 million cubic meters of surface soil at the strip mine site in the Pingshuo area of Shanxi Province, topping their goal by 65 percent.

So far Chinese and U.S. investors have spent 465 million yuan on the project -- 40 percent of its expected cost. The mine, the largest Sino-American joint venture involving coal, is expected to open in 1987. Once it opens, the site, with estimated coal reserves of 500 million tons, is expected to produce more than 15 million tons annually.

Other mine facilities, completed or under construction, include 30 kilometers of roads, an 8.25-kilometer river diversion project, water and electricity supply systems, oil depots, office buildings, hotels, dormitories, dining rooms and nurseries.

In preparation for the opening, more than 300 workers have been specially trained in China and abroad. Partners in the venture are the China National Coal Development Corporation, the China International Trust and Investment Corporation, the Occidental Petroleum Corporation of the United States and the Bank of China Trust and Consultancy Company.

WANG ZHEN FETES U.S. HOTEL CHAIN PRESIDENT

OW111322 Beijing XINHUA in English 1302 GMT 11 Mar 86

[Text] Beijing, March 11 (XINHUA) -- Wang Zhen, honorary president of the China Association for International Friendly Contact, met and gave a dinner for Marshall B. Coyne, president of Madison Hotels, Washington D.C., and his party here this evening. Present on the occasion were Huang Hua, vice-chairman of the Standing Committee of the National People's Congress, and Zhang Wenjin, president of the Chinese People's Association for Friendship With Foreign Countries.

WEINBERGER ON EUROPE-BASED MISSILES, ANZUS, JAPAN

OW110912 Beijing XINHUA in English 0733 GMT 11 Mar 86

[Text] Washington, March 10 (XINHUA) -- U.S. Defense Secretary Caspar Weinberger reiterated today that U.S. Pershing missiles and ground launched cruise missiles deployed in Europe "are essential to restore a deterrent balance in Europe." He spoke at a briefing for foreign correspondents at the foreign press center about his scheduled trip to Europe. Weinberger will attend NATO's nuclear planning group meeting March 20-21, in Wurzburg, Federal Germany.

Weinberger said there are proposals that if the Soviets would take out their intermediate-range missiles, the U.S. could maintain the deterrent balance in other ways in Europe. However, he said, none of these proposals have reached fruition, and none include any satisfactory degree of verification. So, the deployment of the intermediate nuclear forces will continue, he said. "But we are always open," to talks, the secretary said, "and hope to have the kind of arms reduction agreements with complete verifiability that would enable us to make reductions in these forces."

Asked to comment on Federal German Defense Minister Manfred Werner's proposal for a European anti-missile system in addition to the U.S. Strategic Defense Initiative (SDI), Weinberger said this kind of additional defensive system "would have great military strategic advantage." Asked whether he could expect some agreement on research for SDI, known as "star wars," between the U.S. and Japan, Weinberger said there is an indication Japan is interested in participating in the program. "There are enormous skills and talents and creativity in Japan and we think these would contribute a great deal to the Strategic Defense Initiative. We hope they will want to participate in one way or another." He said during his visit to Japan early in April, he will discuss the possible cooperation in SDI and other defense issues.

On U.S.-New Zealand relations, Weinberger said it is important for New Zealand's defense that the South Pacific nation resume membership in ANZUS (Australia-New Zealand-U.S. Alliance). He said it is a "very unfortunate thing" that New Zealand pulled out of ANZUS. Asked whether the U.S. has any defense obligations with New Zealand, Weinberger said, "We have obligations, depending on what the facts are at any one particular time." However, he added, "It is obviously much more difficult to do this if the reciprocal country appears to have no interest whatever in continuing a relationship that I think has been and is of extreme importance to both countries."

U.S. DEMAND FOR UN STAFF REDUCTION PROTESTED

OW111631 Beijing XINHUA in English 1455 GMT 11 Mar 86

[Text] Moscow, March 11 (XINHUA) -- The Soviet Foreign Ministry today delivered a "resolute protest" against the United States' "illegitimate demand" that the Soviet Union reduce by 40 percent its United Nations staff, the Soviet news agency TASS reported today. The U.S. Government on Friday demanded the Soviet Union cut its U.N. staff from 275 to 170 by April 1, 1988, claiming the current personnel level is unreasonably high and that some Soviets assigned to U.N. offices have been involved in espionage.

"The Soviet side has turned down as utterly far-fetched and unfounded the assertions that the staff of the Permanent Mission of the U.S.S.R. at the United Nations allegedly engage in activities which have no bearing on U.N. work," TASS said, quoting the protest by the Soviet Foreign Ministry. "The Soviet side certainly cannot pass over such unjustified actions of the U.S.A. and will have to draw relevant conclusions for itself," the protest said. "U.S. pretensions to assume a right to fix staff levels of the permanent missions of countries at the United Nations are totally inadmissible."

It went on to say, "The U.S. action is arbitrary, unfounded and constitutes a flagrant violation by the United States of the obligation, assumed by it as the country where the headquarters of U.N. central agencies is located; to ensure the necessary conditions for the normal activities of the U.N. and for unimpeded participation of the U.N. member nations in its work." The protest warned the U.S. Administration, "It should be clear that such acts cannot fail to affect the relations between our countries in different spheres," and "such actions increase distrust of its policy and do not create conditions for a summit." U.S. President Ronald Reagan and Soviet leader Mikhail Gorbachev agreed at their meeting in Geneva in November to hold a second summit this year in Washington.

SOVIET ENVOY REMARKS ON USSR-U.S. ARMS TALKS

OW101943 Beijing XINHUA in English 1936 GMT 10 Mar 86

[Text] Budapest, March 10 (XINHUA) -- Soviet special envoy Viktor Karpov, head of the Soviet delegation to the USSR-U.S.A. negotiations on nuclear and space weapons, said here Sunday that "up till now, it has not been possible to attain any concrete results, to sign any agreement, to even reach any draft conclusion for the moment. Despite all this we think that what we have already done is very important."

Karpov, who came here to brief the deputy foreign ministers of the Warsaw treaty countries on the just-concluded round of the negotiations, said in an interview with Hungarian television Sunday, "the most important issue continues, of course, to be the curbing of the arms race in space. This is the supreme problem for the moment. It has not been possible to come to mutual understanding with the United States." "The U.S. is continuing with its aspirations aimed at realizing its Strategic Defense Initiative, and intends to set up new weapons systems in space," which, Karpov stressed, the Soviet Union is "opposed to." "So for us the question arises as how to avoid the arms race in space in agreement with the United States, and to start reducing nuclear weapons. We are ready to do our utmost for this" he noted.

CUBA'S CASTRO ENDS VISIT TO DPRK 11 MAR

OW111625 Beijing XINHUA in English 1617 GMT 11 Mar 86

[Text] Pyongyang, March 11 (XINHUA) -- Cuban leader Fidel Castro left Pyongyang Tuesday after three rounds of talks with President Kim Il-song of the Democratic People's Republic of Korea (DPRK). The KOREAN CENTRAL NEWS AGENCY (KCNA) said in a dispatch Tuesday that the two leaders "discussed bilateral relations and international issues of common concern in an earnest atmosphere and had fully identical views on all the issues discussed." Details of their discussion, however, are not immediately available.

Speaking to a rally held here Tuesday to welcome the Cuban leader, President Kim Il-song described the world situation as "very complicated and tense." He called on the peace-loving people of the world to promote anti-war and anti-nuclear movements. The Korean leader again accused the United States and South Korea of poisoning the peace efforts of the North and demanded that Washington and Seoul immediately stop their joint military exercises.

In his reply, Castro told the 10,000-strong gathering that his government only recognizes one Korea. Cuba sides with the DPRK in its efforts for the country's peaceful reunification, he said, adding that the Cuban people will try their best to "safeguard the legal rights of the Korean people." The 60-year-old Cuban leader announced again that Cuban troops will remain in Angola as long as the Pretoria government continues its policy of apartheid. "We will start the immediate and complete withdrawal of the Cuban internationalist forces from Angola when the apartheid regime is liquidated in South Africa," he said.

Castro arrived here last Saturday for a three-day visit to the DPRK, the first ever by a Cuban leader. Before his Pyongyang trip, Castro headed a Cuban party and government delegation to attend the Soviet Communist Party congress in Moscow. KCNA said that during the visit, the two countries signed a treaty of friendship and cooperation. The agency, however, gave no information about how long it will last.

OPPOSITION PARTIES DEMONSTRATE IN SEOUL

OW111946 Beijing XINHUA in English 1934 GMT 11 Mar 86

[Text] Pyongyang, March 11 (XINHUA) -- Thousands of opposition party members poured onto the streets of Seoul Tuesday demanding 'constitutional amendment', the KOREAN CENTRAL NEWS AGENCY reported today. The demonstration, led by Yi Min-u and Kim Yong-sam, two opposition leaders of the New Korea Democratic Party, led the crowd in changing anti-government slogans as they marched to their party headquarters in downtown Seoul.

More than 1,500 students on the same day from Seoul National University and Yonsei University held rallies and campus demonstrations. Police moved into the campus and more than 20 students were arrested.

CITIC OFFICIAL ON ACQUISITION OF KA WAH BANK

HK110859 Beijing XINHUA Hong Kong Service in Chinese 1133 GMT 10 Mar 86

[Text] Hong Kong, 10 Mar (XINHUA) -- In a statement made here today, Song Ziming, assistant manager of the China International Trust and Investment Corporation (CITIC), expressed the belief that the reorganized Ka Wah Bank will win renewed confidence and support from customers, and its business will bustle.

In early January this year, CITIC again held consultations with Ka Wah Bank which had met with financial difficulties. Song Ziming made a special trip to Hong Kong from Beijing to confer with the parties concerned. On 9 March, the board of directors of Ka Wah Bank declared that the bank had reached an agreement with CITIC, that the latter would acquire 92 percent [as received] of the former's shareholdings with a capital input of HK\$350,000,000.

Song Ziming told newsmen that the announcement made yesterday by Ka Wah Bank was the fruit of concerted efforts by the parties concerned. He also said that the negotiations were carried out smoothly and successfully. Song Ziming pointed out: The capital input by CITIC is aimed at expanding CITIC's financial business abroad, and using the Hong Kong monetary market to promote China's modernization drive and Hong Kong's economic stability and prosperity.

He also said: "With the capital input, CITIC will take over all the business and management of Ka Wah Bank, which will develop its business in an active and steady way. The sound and steady economic development in Hong Kong, and the implementation of China's opening up policy, will provide favorable conditions for the future business development of Ka Wah Bank. Meanwhile, the ever-increasing investment and monetary business of CITIC at home and abroad will also be helpful to the business of the reorganized bank."

He continued: Ka Wah Bank has a history of more than 60 years. With the CITIC capital input, and the support of the Hong Kong Government, the financial and business foundation of the reorganized Ka Wah Bank will be well-laid. In adhering to the principle of attaching prime importance to its reputation and the interests of its customers, Ka Wah will spare no efforts in offering high-quality service to all its customers. He believed that the reorganized Ka Wah will win renewed confidence and support from customers and its business will flourish.

Song Ziming also said: Trained people are the most valuable asset in banking and all other undertakings. After taking over the management of Ka Wah, CITIC will make proper use of local, trained persons and give full play to the role of all employees. Those whose work performance is good, will be rewarded. Song Ziming hoped that all the bank employees will stand fast at their posts and keep their minds on their work so as to make new contributions to the reorganized Ka Wah Bank.

HONG KONG PROPERTY GROUP CHAIRMAN PROSECUTED

OW111526 Beijing XINHUA in English 1516 GMT 11 Mar 86

[Text] Hong Kong, March 11 (XINHUA) -- The prosecution leader finished today in the Hong Kong high court his opening of the prosecution in a trial of six men connected with the Carrian Conglomerate, which collapsed in 1983 with debts of about 10 billion Hong Kong dollars (1.3 billion U.S. dollars). The case has for a long time drawn keen attention in media and economic circles not only in Hong Kong but also in some Southeast Asian countries.

The six are former chairman of Carrian George Tan, his deputy Bentley Ho, accountants David Begg and Anthony Lo and businessmen Rogerio Lam and his brother Stephen.

Prosecution leader Lionel Swift accused George Tan of "large scale fraud". He said the Carrian Investment Limited (CIL), the publicly listed arm of the Carrian empire, was never a successful company. He alleged that the value of shares of CIL, once among the most sought-after shares on the Hong Kong stock market, had been boosted by fraudulent means. In 1981, Carrian was a household name and appeared to be a fast growing conglomerate with a bright future. However, Swift alleged that Carrian was merely an illusion as Tan resorted to fictitious business deals involving hundreds of millions of Hong Kong dollars to deceive creditors and shareholders.

The two accountants, David Begg and Anthony Lo, of the international accountancy firm Price Waterhouse, former Carrian's auditor, were accused by the prosecutor of abandoning the stringent professional standards to conspire with George Tan and Bentley Ho to falsify the company's 1981 account. The Lam brothers, former directors of Bylamson and Associates Co., are charged with allowing the publication of a false statement by Carrian that it had received 1.6 billion Hong Kong dollars (205 million U.S. dollars) from the sale of an office building here to Bylamson in 1980.

The trial started in the high court on February 27 with all six defendants pleading not guilty to charges of falsifying Carrian's 1981 account. For the first time in Hong Kong's legal history, there are nine members in a jury -- seven men and two women. Usually, a jury consists of seven members, allowing up to two members to drop out. The trial was expected to last nine months, and Justice Dennis Baker said that the nine were needed to ensure there would be enough people on the jury should any juror drop out.

The criminal investment of the Carrian case had cost about 45 million Hong Kong dollars and a further 27 million HK dollars is expected to be spent on the trial.

The collapse of Carrian, which had interests ranging from property and insurance to shipping, in 1983 had a disastrous domino impact on companies throughout the territory. It has also been linked with scandals in Malaysia. Before the collapse, one of the Carrian's main creditors was the Hong Kong subsidiary of Bank Bumiputera, Malaysia's biggest bank.

YUNNAN GOVERNOR HEADS PROVINCIAL GROUP TO BURMA

OW120742 Beijing XINHUA in English 0655 GMT 12 Mar 86

[Text] Kunming, March 12 (XINHUA) -- A Yunnan provincial government delegation led by Governor He Zhiqiang, left here for Burma today at the invitation of the Burmese Government. The governor hoped the visit would further promote traditional and friendly relations between his province and Burma. During its visit, the delegation will hold talks with Burmese departments concerned on the exchanges and cooperation between Yunnan Province and Burma in the fields of economy, technology, trade and culture.

AUSTRALIAN GOVERNOR GENERAL MEETS PRC OFFICIALS

OW120840 Beijing XINHUA in English 0828 GMT 12 Mar 86

[Text] Canberra, March 12 (XINHUA) -- Sir Ninian Stephen, governor-general of Australia, met with Hu Jintao, secretary of the Guizhou Provincial Committee of the Chinese Communist Party, and Liao Hui, minister of the Overseas Chinese Affairs Office of the Chinese State Council, at the government house here this morning. During the meeting, Sir Ninian Stephen praised the Australians of Chinese origin for their important role in the development of the Australian society. Hu Jintao said that the governor-general's visit to China last year has made contributions to the furthering of the friendship and cooperation between China and Australia.

Yesterday, Mrs. Joan Child, speaker of the Australian House of Representatives and Douglas McClelland, president of the Senate, met and had friendly talks with the Chinese guests at the Federal Parliament House.

Hu and Liao arrived in Australia on March 4 at the invitation of Australian Foreign Minister Bill Hayden. They have visited Queensland, Victoria and the Australian capital territory and are leaving this afternoon for New South Wales on the last leg on their 12-day friendship visit to this country.

AQUINO RECEIVES PRC CULTURAL DELEGATION

OW111348 Beijing XINHUA in English 1337 GMT 11 Mar 86

[Text] Manila, March 11 (XINHUA) -- President Corazon Aquino said Tuesday that it is good for the Philippines and China to have better relations. She said this while receiving visiting Chinese Minister of Culture Zhu Muzhi at the Presidential Palace.

The president, spending her second office day at the Malacanang Palace, said it is also good to have people-to-people exchanges between the two countries. Zhu Muzhi told Mrs. Aquino that Chinese President Li Xiannian and Premier Zhao Ziyang had asked him to convey their personal congratulations to her and Vice-President Laurel. The Chinese culture minister also expressed the wish that the president can visit China at her convenience.

Mrs. Aquino replied with thanks that she perhaps can make the visit when conditions in the Philippines become stabilized. Zhu and his party are scheduled to leave here for Australia this evening after an eleven-day visit to the Philippines.

PHILIPPINES TO DISCUSS REVOLUTIONARY GOVERNMENT

OW111643 Beijing XINHUA in English 1634 GMT 11 Mar 86

[Text] Manila, March 11 (XINHUA) -- The Philippine Cabinet will hold its first meeting here tomorrow to consider the transition to a revolutionary government, Executive Secretary Joker Arroyo said here today. Arroyo said that government officials were "almost unanimous" in supporting a declaration of a revolutionary government by President Corazon Aquino.

Local government Minister Aquilino Pimentel announced on March 9 that several cabinet ministers, including himself, opposed the declaration, claiming this would create chaos in the minds of the people. He held that the government should be a "constitutional" one.

Arroyo said today the government is planning on the creation of a 50-man committee to draft a new constitution in 90 days. The draft constitution will be ratified by the people 15 days after its submission, and then the revolutionary government will transit to a constitutional one. Arroyo said the Cabinet will also discuss the creation of a Presidential Commission on Human Rights and the "dismantling of unjust structures" left behind by ousted President Ferdinand Marcos. The proposed commission would be headed by former Senators Lorenzo Tanada and Jose Diokno, former political detainees and respected human rights lawyers. It would investigate cases of disappearances, tortures, and summary execution allegedly committed by the military.

FURTHER ON LI XIANNIAN'S VISIT TO SRI LANKA

President Hails Good Relations

OW111654 Beijing XINHUA in English 1647 GMT 11 Mar 86

[Text] Colombo, March 11 (XINHUA) -- Sri Lankan President Junius Richard Jayewardene said today that the relations between Sri Lanka and China have stood the test of time and will flourish in the future as in the past. In a welcoming speech at a state banquet given in honor of visiting Chinese President Li Xiannian, Jayewardene said that Sri Lanka and China are "old friends." Sri Lanka was one of the first countries to recognize the People's Republic of China, he added.

Li is here on a three-day visit, the first by a Chinese head of state to this island country. Jayewardene expressed his thanks for China's support of his country's sovereignty and territorial integrity. On domestic issues, Jayewardene said that despite the recent turmoil, Sri Lanka achieved a national economic growth rate of five percent last year. He attributed the success to the policy of "open economy" that his government has adopted since 1977. The president also paid high tribute to the achievements made by the Chinese people in their economic reforms. "The world is looking forward to the success of your experiment with a new form of economic development in a socialist environment," he said.

11 March Banquet Speeches

OW120341 Beijing XINHUA Domestic Service in Chinese 1733 GMT 11 Mar 86

[Text] Colombo, 11 Mar (XINHUA) -- Sri Lankan President Junius Richard Jayewardene and Mrs Jayewardene hosted a grand banquet at the presidential mansion tonight to warmly welcome PRC President Li Xiannian and his wife Lin Jiamei. In their speeches, the two leaders spoke highly of the traditional friendship and good relations of cooperation between the two countries and hoped that the good relations will develop further.

President Jayewardene spoke first. He extended his warm welcome to President and Mrs Li and other distinguished Chinese guests. He said: Exchanges between Sri Lanka and China can be traced back to many centuries. We take pride that recorded Buddhist ties between us date from the third century when Buddhist monks took scriptures to China.

President Jayewardene pointed out: Sri Lanka was one of the first countries to recognize the People's Republic of China. This fact shows that China and Sri Lanka are "old friends." He also said that the two countries signed an agreement on rubber and rice trade in 1952 when he was minister of finance, and the agreement is "a milestone in the development of friendly bilateral relations." He pointed out: "The co-operation has benefitted both sides."

On China's economic reform in recent years, President Jayewardene said: "The whole world is looking forward to the success of your experiment with a new form of economic development in a socialist environment." In conclusion, he expressed his belief that because of President Li's visit, the friendly Sri Lankan-Chinese relations will continue to flourish in the future as in the past.

Li Xiannian said in his speech: Sri Lanka is a friendly nation that the Chinese people have long admired. The Chinese and Sri Lankan peoples have long maintained friendly exchanges. The establishment of diplomatic relations between the two countries has ushered in a new period of our bilateral relations. The successful visit to China by President Jayewardene in 1984 has made a deep impression on the Chinese people.

President Li expressed his sincere congratulations to the Sri Lankan people on their gratifying success in building their country. He highly praised Sri Lanka for consistently pursuing a foreign policy of independence and nonalignment. He said: Sri Lanka "strictly observes the five principles of peaceful coexistence, stands for peace, disarmament, and development; opposes power politics in all forms, supports the restructuring of the irrational international economic order; promotes North-South dialogue and South-South cooperation; and plays a positive role in international affairs." He also said: "Sri Lanka is the initiator of the Indian Ocean peace zone, and it has been making unremitting efforts for early convocation of a conference on the Indian Ocean peace zone. Sri Lanka has also made valuable contributions to strengthening unity and cooperation among Third World countries, maintaining peace and stability in South Asia, and promoting regional cooperation in South Asia."

On friendly relations between China and South Asian countries, President Li said: "South Asian countries are China's neighbors, and traditional friendship exists between the peoples of South Asia and China. It has always been our firm policy to develop good-neighborly and friendly relations with all South Asian countries on the basis of the five principles of peaceful coexistence." He reiterated that China "resolutely supports the efforts made by Sri Lanka to safeguard its independence, sovereignty, and territorial integrity, to strengthen national unity, and to develop the national economy; it supports the proposal put forward by Sri Lanka for the establishment of the Indian Ocean peace zone." He said that China genuinely desires to see that South Asian countries live in peace and amity and cooperate to their mutual benefit; it sincerely hopes that their regional cooperation will develop daily and contribute to peace, stability, and prosperity in the region.

Then, President Li Xiannian gave an account of China's reform of the economic structure and its policy of opening to the outside world in recent years. He said: "To expand our economic and technological cooperation and exchange with other countries on the basis of equality and mutual benefit is an important aspect of our reform. China's open policy applies to the whole world. In other words, China opens itself to both the developed and the developing countries. We wish to vigorously promote South-South cooperation on the basis of the principles of 'equality in form, and common progress,' and contribute our share to the economic growth and prosperity of the other Third World countries."

On Sino-Sri Lankan relations, President Li pointed out: China and Sri Lanka are very friendly nations. In the last 3 decades, the friendly relations and cooperation between China and Sri Lanka have steadily developed despite the turbulent international situation. He expressed his great satisfaction over the sincere friendship, the relations of mutual trust between the two countries, and the fruitful cooperation between them in economic, trade, and cultural fields. He emphasized that constant consolidation and development of Sino-Sri Lankan friendship conform to the fundamental interests and common aspirations of the peoples of the two countries. He expressed his firm belief that with joint efforts, Sino-Sri Lanka friendly relations and cooperation will surely develop to a new high and yield even richer fruits.

Present at tonight's banquet on the Sri Lankan side were Ranasinghe Premadasa, prime minister; Shahul Hameed, minister of foreign affairs; Devanayagam, minister of home affairs; Athulathmudali, minister of national security; and other high-ranking military and government officials and well-known public figures.

Members of President Li's entourage attended the banquet on invitation. They included State Councillor Chen Muhua, Vice Foreign Minister Liu Shuqing, Vice Minister of Foreign Economic Relations and Trade Lu Xuejian, and Chinese Ambassador to Sri Lanka Zhou Shanyan. The banquet was filled with an atmosphere of warmth and friendship from beginning to end.

Media Welcomes Li

OW111748 Beijing XINHUA in English 1743 GMT 11 Mar 86

[Text] Colombo, March 11 (XINHUA) -- Nearly all Sri Lankan newspapers in English, Sinhalese and Tamil today highlighted the visit of Chinese President Li Xiannian to the island country. President Li arrived here this morning to pay a three-day state visit to Sri Lanka, the second leg of his five-nation Asian-African tour. He is the first Chinese head of state to visit Sri Lanka since the two countries established diplomatic relations in 1957.

"DAILY NEWS" marked President Li's visit as "a historic occasion for Sri Lanka." The newspaper recalled in detail the important events taking place between the two countries, saying that the "president of China was a leader personally involved in building closer ties between the two countries."

"THE ISLAND" pointed out that "China has proved to be a close friend and steadfast ally in the past and Sri Lanka would do well to explore the possibility of forging new economic and trade ties with her." Radio and TV programs in recent days also focused attention on President Li's visit, with special programmes covering Chinese social and cultural heritage.

Li Pays Courtesy Call

OW111950 Beijing XINHUA in English 1943 GMT 11 Mar 86

[Text] Colombo, March 11 (XINHUA) -- Visiting Chinese President Li Xiannian paid a courtesy call on Sri Lankan President J.R. Jayewardene today at the presidential residence. President Li said he was impressed by the warm and welcome reception given by the Sri Lankan president, the government and people.

The two heads of state spoke highly of the smooth development of Sino-Sri Lankan friendly cooperative relations. Both leaders said the friendship between the two countries will be further promoted, and bilateral relations will develop to a new level. Sri Lankan Prime Minister R. Premadasa also called on President Li the same day.

Meets Former Prime Minister

OW120730 Beijing XINHUA in English 0723 GMT 12 Mar 86

[Text] Colombo, March 12 (XINHUA) -- Visiting Chinese President Li Xiannian met former Sri Lankan Prime Minister Sirimavo Bandaranaike here this morning.

During the meeting, which took place at the Bandaranaike Memorial International Conference Hall, Li conveyed greetings to Mrs. Bandaranaike from Deng Yingchao as well as Mrs. Bandaranaike's other Chinese friends. Mrs. Bandaranaike extended her warm welcome to Li Xiannian on his visit to Sri Lanka. Mrs. Bandaranaike twice visited China in 1962 and 1972 as prime minister.

UN AFGHANISTAN MEDIATOR LEAVES FOR KABUL

OW101843 Beijing XINHUA in English 1830 GMT 10 Mar 86

[Text] Islamabad, March 10 (XINHUA) -- U.N. special envoy on Afghanistan Diego Cordovez left here today for Kabul to continue his shuttle mission to seek a political solution to the six-year old Afghan problem.

During his three-day stay in Pakistan, Cordovez called on Prime Minister Mohammad Khan Junejo. They discussed issues relating to his current visit which has been taken to facilitate progress towards the political solution. Cordovez had four rounds of formal talks with Foreign Minister Sahabzada Yaqub Khan. It was disclosed that the Pakistan side reaffirmed its principled stand on continuing the indirect talks to seek a political solution to the problem based on soviet troops withdrawal and Moscow's respect for the right to self-determination of the Afghan people, including the return of refugees in honor and safety.

The U.N. mediator, who arrived here on March 8 is scheduled to return to Islamabad on March 13 after consulting with the Kabul authorities. The U.N.-sponsored indirect talks on Afghanistan has entered the sixth round in Geneva last December. The talks was landed in an impasse as a result of Kabul's insistence on direct talks to negotiate the Soviet troops withdrawal from Afghanistan. This demand by Kabul has been turned down by the Pakistan Government as it does not recognize the Karmal regime installed by the Soviet troops.

XIZANG'S QAMCO LEADS TRADE DELEGATION TO NEPAL

HK110935 Lhasa Xizang Regional Service in Mandarin 1130 GMT 7 Mar 86

[Text] At the invitation of a friendly neighboring country, the Kingdom of Nepal, the nine member regional economic and trade delegation recently departed the region for the kingdom. The delegation was headed by Qamco, vice chairman of the regional people's government. Its members included responsible people of the region's commercial, economic foreign trade, and tourist departments.

Before its departure, Dan Zeng, deputy secretary of the regional CPC Committee; Puquin, Gyibug Puncog Cedain, Tudao Doje, and Gongdaxi, vice chairmen of the regional people's government; as well as (Pamula Wukeyasi), consul general of the Nepalese Consulate in Lhasa, and his wife, held a party to bid farewell to the delegation.

The head of the delegation, Qamco, said at the party: The main aim of our return visit to the Kingdom of Nepal is to further promote understanding; to strengthen and develop economic and technological cooperation as well as trade between the two countries on the basis of equality, mutual benefit and peaceful co-existence; and to promote the further development of friendship between the two countries. We hope that we can make new contributions in the areas of economics, trade, tourism and cultural exchanges between the two countries.

ZHENG TIANXIANG MEETS FRENCH COURT DELEGATION

OW111622 Beijing XINHUA in English 1530 GMT 11 Mar 86

[Text] Beijing, March 11 (XINHUA) -- China hopes to increase international judicial exchanges so as to serve its domestic economic construction and world peace, Zheng Tianxiang, president of the Supreme People's Court of China, said here this evening. He made these remarks during a meeting with a delegation of the French Supreme Court for Administrative Cases headed by Pierre Nicolay, vice-president of the court.

The four-member delegation arrived in Beijing yesterday and met with Ren Jianxin, vice-president of China's Supreme People's Court, this afternoon. The two sides exchanged views on the role of judicial supervision in handling administrative cases, and other issues. French Ambassador to China Charles Malo was present at the meeting this evening.

ITALIAN INDUSTRIES ALLOWED TO TAKE PART IN SDI

OW090643 Beijing XINHUA in English 0630 GMT 9 Mar 86

[Text] Rome, March 8 (XINHUA) -- Italy has preliminarily decided to allow its industries to participate in the U.S. Strategic Defense Initiative (SDI) program but is still considering whether the government will join the program. This decision was a result of Friday's panel discussion held by a special inter-ministerial committee headed by Prime Minister Bettino Craxi.

According to a statement made by the prime minister's office, an official report will be submitted to Parliament after a further study on whether the participation will benefit Italian industries in science and technology and whether it will accord with the trend of development of the government stand. This implies that it would take a long time for the Italian Government to decide on the official participation in the SDI program, also known as "star wars". The United States invited its allies to take part in its SDI program last spring. Italy has given only technological but not political support to the U.S. anti-missile research program.

Meanwhile, Italy stresses that it supports the program on conditions that the program should not be beyond the research stage, the program should not violate the Salt I treaty reached between the United States and the Soviet Union in 1972 and Washington should not seek military superiority with it. But individual Italian firms and contractors, which show great interest in the program, have sent several delegations to the United States for consultation with SDI organizers or inspection. The U.S. SDI director, James Abrahamson, has also come to Italy to seek support and promote the participation. The green light Italy gives to its firms and contractors for SDI participation will encourage more industrialists in the country to cooperate with the United States. A big delegation including representatives of many large enterprises is scheduled to visit the United States from March 10 to 18.

XINHUA ANALYSIS OF SPANISH REFERENDUM ON NATO

OW111157 Beijing XINHUA in English 1136 GMT 11 Mar 86

["News Analysis: Spotlight on Spain's Referendum on NATO" -- XINHUA headline]

[Text] Madrid, March 11 (XINHUA) -- Spaniards will go to the polls tomorrow to determine whether Spain will remain in the North Atlantic Treaty Organization (NATO). The outcome of the referendum is expected to have great bearing not only on Spain's future, but also on that of other West European countries as well.

Spain became the 16th official member of NATO in 1982 when the Central Democratic Union was in power. But Spain's entry was strongly opposed by the then opposition Socialist Workers' Party which, with the planned general elections late that year in mind, promised in its electoral platform to hold a referendum on the issue. But after being elected into office, the Socialist Democrats switched their position and supported Spain's continued membership in NATO on the conditions that nuclear weapons would not be stationed on Spanish soil and the U.S. troops already in the country would be phased out.

Why this change of mind? For one thing, Spain needs to associate itself with West Europe after the fall of Franco's dictatorial rule, and the Socialist Democrats fear that quitting NATO would isolate Spain again. For another, to remain in NATO would give Spain access to high technologies from its allies to update its relatively backward economy. What is more, after assuming office, the Socialist Democrats made major advances in diplomacy especially over the pending issue of Spain's entry into the European Economic Community and in bringing Britain to the negotiating table to discuss sovereignty over the Strait of Gibraltar. If a national consensus is reached on the NATO issue, the Socialist Democrats would consolidate their position for the general elections set for late this year.

The decisive NATO issue has been festering in Spain over the last five years, and it will not be easy for the government to prevail in the forthcoming referendum, however. Pacifist movements, with the Spanish Communist Party as their representative, are strong in the country and they want Spain to remain neutral in the contest between the two superpowers, quit NATO and dismantle U.S. bases. On the other hand, the leader of rightwing forces Manuel Fraga appealed to voters to stay away from the polls to tarnish the image of the Socialist Democrats. The vote, may prove very close and the opponents to the referendum might even emerge victorious.

Even if the government is defeated in the vote, it is still very unlikely that Spain will withdraw from NATO. Spanish law stipulates that any abrogation of accords needs the approval of Parliament which ratified Spain's membership in a vote of 278 to nine last December.

Spain is the first NATO member country going to the polls to determine its NATO membership, and the outcome is expected to have great psychological effects on other West European countries. During his visit to Spain early this year, NATO's secretary-general Lord Carrington warned that Spain's withdrawal would seriously sap NATO. He also warned of a chain reaction in allied countries. Anti-war sentiments are strong in West Europe, giving rise to peace movements in most member countries. During the run-up to the referendum, noted pacifists from Britain, Italy, and Portugal and even NATO's former military leaders travelled to Spain in a show of solidarity with the anti-NATO forces. If the Socialist Democratic Government is defeated in the referendum, it will give great impetus to anti-NATO forces in other countries bringing new life to peace movements in those countries.

POLISH ASSEMBLY LEADER MEETS PRC AMBASSADOR

OW110514 Beijing XINHUA in English 0241 GMT 11 Mar 86

[Text] Warsaw, March 10 (XINHUA) -- Roman Malinowski, marshal of the Polish National Assembly, today called for increased contacts between the national assemblies of China and Poland.

During a meeting with Wang Jinqing, Chinese ambassador to Poland, here today Malinowski said the Polish Government and people have always attached great importance to developing friendly relations with the Peoples Republic of China. Contacts between the national assemblies are important to develop relations between the two countries and will promote developments in other fields, he said.

PRC-CSSR SPORTS EXCHANGE PACT SIGNED IN BEIJING

OW061220 Beijing XINHUA in English 1209 GMT 6 Mar 86

[Text] Beijing, March 6 (XINHUA) -- China will send volleyball, athletics, basketball and table tennis teams to visit Czechoslovakia this year, according to a Sino-Czechoslovak sports exchange protocol signed in the Great Hall of the People here this evening. According to the protocol, Czechoslovakia will, in return, dispatch a cycling team to compete in an international cycling tournament to be held in China in July, and an athletics team for an international meet in September in Beijing. Other teams to visit China are women's gymnastics and volleyball squads.

The document was signed by He Zhenliang, vice-minister of China's State Physical Culture and Sports Commission, and Vladislav Krumer, first vice-president of the Central Committee of the Czechoslovak Association for Physical Culture and Sports. Li Menghua, minister of the Chinese Sports Commission, and Zdenek Cheben, Czechoslovak ambassador to China attended the signing ceremony. The visitors arrived here Tuesday. They will visit Nanjing in east China's Jiangsu Province, and south China city of Guangzhou.

PART OF POLAND'S DEBT TO WEST RESCHEDULED

OW120349 Beijing XINHUA in English 0239 GMT 12 Mar 86

[Text] Warsaw, March 11 (XINHUA) -- Part of Poland's debts owed to the West has been rescheduled or restructured under an agreement approved in Paris last Friday, government spokesman Jerzy Urban announced today. The Paris agreement involves 2.4 billion U.S. dollars of debts that are due this year, Urban said. The agreement "represents another step toward carrying out the policy of orienting Poland's financial ties with its West creditor nations," Urban added.

The agreement was initiated by a Polish finance delegation and representatives of the Group of Ten, also known as the Paris Club, which is composed of Poland's 16 West creditors and Brazil. Poland's debts to these nations amount to 17 billion dollars. The Group of Ten, under the international monetary fund, was formed in November 1961 by the United States, Britain, France, Federal Germany, Italy, Japan, the Netherlands, Canada, Belgium and Sweden. The Polish policy of readjusting financial relations with its West creditors "has laid foundation for mutual cooperation," Urban said. But he also regretted that, apart from a few cases, results from the process of such normalization have not yet been felt. Poland's debts owed to the West total 29.3 billion U.S. dollars.

KENYA LEADER HOPES TO INCREASE CONTACT

OW120240 Beijing XINHUA in English 0226 GMT 12 Mar 86

[Text] Nairobi, March 11 (XINHUA) -- Chairman of the ruling Kenya African National Union Okiki Amayo said here today that Kenya hopes to increase its contacts with China at all levels so as to strengthen the relations between the two countries. Amayo expressed the hope at a meeting with the visiting Chinese trade union delegation this afternoon. The delegation is headed by Wang Xun, secretary of the Secretariat of the All-China Federation of the Trade Unions.

The chairman pointed out the exchange of visits between the two countries has greatly strengthened the Sino-Kenya relations. He encouraged other Kenyan organizations and personnel to visit China. "Some of China's experiences are applicable for Kenya," he said, adding that Kenya should learn from China. Amayo also said at the meeting that the trade unions of the two countries should coordinate and support each other in international affairs. The Chinese delegation arrived here last Saturday and will leave for Zaire tomorrow.

CHINESE HANDICRAFTS EXHIBIT OPENS IN TUNIS

OW090738 Beijing XINHUA in English 0709 GMT 9 Mar 86

[Text] Tunis, March 8 (XINHUA) -- A Chinese handicrafts exhibition opened here today in the congress palace to the presence of about 1,000 people. More than 2,000 items of about 17 varieties including jade carvings, cloisone, papercuts, porcelainware, and cork carvings were on display at the exhibition held jointly by the Tunisian and Chinese People's Friendship Association and the Chinese People's Association for Friendship With Foreign Countries.

All the exhibits will be sold after a week-long display and the money will be donated to Tunisia for the purpose of improving housing conditions for low-income Tunisians.

ZHU LIANG HOSTS DINNER FOR RWANDAN VISITORS

OW071722 Beijing XINHUA in English 1502 GMT 7 Mar 86

[Text] Beijing, March 7 (XINHUA) -- Zhu Liang, head of the International Liaison Department of the Chinese Communist Party Central Committee, met and gave a dinner here today for a delegation from the Rwandan National Revolutionary Movement for Development led by Felicien Kayinamura. Rwandan Ambassador to China Magira Bigirimana Denis was present.

The delegation came to China February 24 and toured south east China's Fuzhou and Xiamen.

NPC STANDING COMMITTEE BEGINS 15TH MEETING

OW111444 Beijing XINHUA Domestic Service in Chinese 1219 GMT 11 Mar 86

[Text] Beijing, 11 Mar (XINHUA) -- The 15th meeting of the Standing Committee of the 6th National People's Congress began in the Great Hall of the People this afternoon. Chairman Peng Zhen presided over this afternoon's plenary meeting.

This meeting is being held before the Sixth National People's Congress convenes its fourth session. At today's meeting, Wang Hanbin, secretary general of the NPC Standing Committee, made an explanation about the draft agenda for this meeting. The deputies present unanimously approved the agenda. According to this agenda, this Standing Committee meeting will discuss the draft law of mineral resources of the PRC, the draft of the general principles of the civil code of the PRC which was submitted to the Fourth Session of the Sixth National People's Congress for consideration, the draft law on compulsory education for the PRC, and the draft law on enterprises financed by foreign firms. The meeting will also listen to explanation on other related draft laws, prepare a draft agenda for and name list of the Presidium and secretary general of the Fourth Session of the Sixth National People's Congress, and discuss the work report which the NPC Standing Committee will present to the Fourth Session of the Sixth National People's Congress.

The draft of the mineral resources law of the PRC had already been examined at several past Standing Committee sessions. Deputies and the relevant departments had expressed their views on revising the draft law. Great importance was attached to these views. At this Standing Committee meeting, Premier Zhao Ziyang put forward a motion to examine this draft law. The motion said: After conducting extensive investigations, study, and repeated discussions, and after carrying out revisions, the department of geology and mineral resources and the other departments concerned have worked out the draft on mineral resources. This draft law has been endorsed by the State Council after discussions. Now it has been submitted to this meeting for deliberation. Today, Zhu Xun, minister of geology and mineral resources was entrusted by the State Council with making explanations to the participants of this meeting on the draft law.

Wang Hanbin, secretary general of the NPC Standing Committee and director of the committee's Legislative Affairs Commission, explained the revised draft of the general principles of China's civil code at today's meeting. He told the meeting that after the draft was examined by the 6th NPC Standing Committee at its 13th session in November 1985, the NPC Law Committee and the Legislative Affairs Commission solicited opinions from all departments concerned, repeatedly discussing and revising this draft law. He also explained how this draft was revised chapter by chapter. He suggested that the revised law be deliberated on and endorsed by the Standing Committee and submitted to the Fourth Session of the Sixth National People's Congress for consideration.

At today's meeting, Lei Jieqiong and Shen Hong, vice chairmen of the Law Committee of the NPC Standing Committee, separately made reports, on behalf of the Law Committee, on the results of the discussions of the CPC draft law on compulsory education and the PRC draft law on enterprises financed by foreign firms. In their reports they said: After several sessions of deliberations, the Law Committee basically agreed with these two draft laws, and, at the same time, put forward some views to revise the draft laws. After separately explaining the revisions to be made on these two draft laws, they pointed out: The Law Committee suggested that the new versions of these two draft laws be considered and adopted by the NPC Standing Committee and submitted to the Fourth Session of the Sixth National People's Congress for deliberation.

Attending today's meeting were deputy chairmen of the NPC Standing Committee Chen Pixian, Geng Biao, Peng Chong, Wang Renzhong, Ngapoi Ngawang Jigme, Seypidin Aze, Zhou Gucheng, Yan Jici, Rong Yiren, Ye Fei, Liao Hansheng, and Huang Hua. State Councillor Zhang Jingfu, Supreme People's Court President Zheng Tianxiang, and Supreme People's Procuratorate Procurator-General Yang Yichen were also present at the meeting as observers.

Draft Education Law Discussed

OW112359 Beijing XINHUA Domestic Service in Chinese 1230 GMT 11 Mar 86

[Text] Beijing, 11 Mar (XINHUA) -- Lei Jieqiong, vice chairman of the NPC Law Committee, addressing the NPC Standing Committee today on the results of discussions made by the Law Committee on the draft compulsory education law, said that the Law Committee basically agrees with the draft law, has put forward its views on making some revisions, and has recommended that the NPC Standing Committee examine and endorse the draft law and submit the revised version of the draft law to the Fourth Session of the Sixth National People's Congress for deliberation.

Lei Jieqiong said: The NPC Law Committee met on 7 and 8 March 1986 to sum up the views of some members of the NPC Standing Committee, the views of the NPC Education, Science, Culture, and Public Health Committee, and the views of the relevant departments in various provinces, autonomous regions, and municipalities directly under the central government and of the State Council and it examined the draft law of the PRC on compulsory education. Attending the meetings as observers were some NPC Standing Committee members and some members of the NPC Education, Science, Cultural, and Public Health Committee. The law committee held that compulsory education constitutes the foundation of China's education; to draw up the law on compulsory education is of great significance; and the formulation of the draft law is conducive to promoting compulsory education in the whole country, protecting the rights of children and young people to receive compulsory education, and developing socialist material and spiritual civilization.

Lei Jieqiong noted: Some members suggested that the need to train a new generation of people with lofty ideals, moral integrity, education, and a sense of discipline and promoting socialism be clearly specified and that emphasis be placed on intellectual education as well as moral education. Therefore -- after the passage "In promoting compulsory education, it is necessary to implement the nation's policy on education, strive to improve educational qualities, and help children and young people achieve overall development in moral character, intellectual education, and physique" -- a passage has been added which reads: "in order to lay the foundation for improving the qualities of the entire nation and training qualified people for socialist construction who have lofty ideals, moral integrity, education, and a sense of discipline."

She remarked: Some of the members pointed out that it is essential to encourage all sectors of society to run schools. However, this must be carried out under the supervision and leadership of the administrative organs in the educational field. The pedagogical contents must tally with the standards. Therefore, the passage in the original draft law "the state encourages enterprises, undertakings, and other economic organizations and social forces to run various types of schools specified by this law" has been revised to read: "The state encourages enterprises, undertakings, and social forces to run various types of schools specified by this law under the unified administration of the local people's government and in accordance with the basic requirements set by the state."

Lei Jieqiong said: Some of the members pointed out that the qualifications of teachers must be clearly specified.

Therefore, after the passage "the state adopts measures to develop teachers' education and to cultivate and train teachers," a passage has been added which reads: "It is necessary to ensure in a planned manner that primary school teachers receive education at or above the level of a graduate of a secondary normal school and that junior middle school teachers receive education at or above the level of a graduate from a normal school or institute of higher learning."

She noted: Some of the members pointed out that it is necessary to protect teachers' rights and interests and clearly define their duties. Therefore, the following passages have been added in the draft law, which read: "Efforts must be made to protect teachers' legitimate rights and interests", "to encourage teachers to work hard for the cause of education, and to commend outstanding workers in the field of education," and "teachers must cherish socialist education, strive to raise their own ideological, cultural, and professional standards, take good care of students, and be devoted to their duties."

Lei Jieqiong said: According to the views of some of the members, the following passages have been added in the draft law: "The embezzlement" of educational funds and "disturbing order in teaching" "is not allowed," and "it is forbidden to insult and beat up teachers and to give students corporal punishment." Measures to punish offenders have also been specified in the draft law.

Minerals Resources Law Viewed

OW120451 Beijing XINHUA Domestic Service in Chinese 1305 GMT 11 Mar 86

[Text] Beijing, 11 Mar (XINHUA) -- At the 15th Meeting of the 6th NPC Standing Committee, Zhu Xun, minister of geology and mineral resources, today explained the PRC's draft law on mineral resources. He pointed out: Our country's mineral resources have not been fully exploited and utilized for years. Meanwhile, owing to an unsound legal system and poor management, many problems exist in the prospecting and exploitation of mineral resources. Such problems have resulted in waste or damage of mineral resources and have affected the pace and results of prospecting and exploitation. This simply will not meet the requirements for fulfilling the party's general tasks and objectives. It is therefore urgently necessary to formulate a law on mineral resources.

Zhu Xun said: Mineral resources are our country's treasured wealth as well as an important material foundation for socialist modernization. In mineral resources, large-scale geological work in the more than 30 years since the founding of the PRC has provided better conditions for the socialist modernization of our country. More than 150 different kinds of minerals have now been discovered, and deposits of 137 of them have been certified; the proven deposits of many such minerals rank very high in the world. Mining has also greatly developed over the past 30 years and more. Coal, metallurgical, nonferrous metals, petroleum, chemical industry, building materials, nuclear industry, and other departments have set up mining enterprises in more than 5,600 places, and village and town collectives and individuals are engaged in mining in 120,000 places. The country's ore output has increased from a little over 40 million metric tons in 1949 to more than 1.2 billion metric tons now, an increase of more than 30 times. The development of prospecting and exploitation of mineral resources is of great significance in promoting socialist modernization and increasing national strength. However, for years there has been a lack of unified planning and management in prospecting for mineral resources, and departments have unnecessarily repeated one another's work. Many units have failed to attach importance to comprehensive prospecting, exploitation, and utilization. Mineral recovery rates are not high in the process of mining and ore dressing. After relaxing restrictions on the operation of small mines, some localities have not paid attention to giving guidance to their operators and strengthening their supervision over such mines.

He said: After summing up our experiences in mineral resources over the 30-odd years, the basic ideology guiding legislation in this regard is to embody the constitutional provision that mineral resources are owned by the state, thus ensuring the rational exploitation and utilization of natural resources. We must also embody the general principle of "opening up, invigoration, and good management" with a view to speeding up the exploitation of underground resources as well as the principle of "vigorous support, rational planning, accurate guidance, and improved management" by the state for village and town enterprises. Through guarantees provided by the law, it will be possible to arouse the enthusiasm of state enterprises, collectives, and individuals in prospecting and exploiting mineral resources, to make rational use of them, and to protect them. This will also make it possible to strengthen geological work, to vigorously develop the mining industry, and to meet the immediate and long-term requirements of socialist modernization for mineral resources.

On drafting the law on mineral resources, he said: Under the leadership of the State Economic Commission, an office for drafting the law was set up in September 1979, consisting of personnel from the Ministries of Geology, Metallurgical Industry, Coal Industry, Petroleum Industry, Chemical Industry, and Building Materials and the Second Ministry of Machine Building. The Ministry of Geology took the lead in this regard. After extensively collecting and studying relevant reference materials at home and abroad and soliciting opinions from various quarters, the office drafted the law and submitted it to the State Council for examination and approval in 1981. After soliciting opinions from provincial, autonomous regional, and municipal people's governments, relevant departments under the State Council, and some legal experts, the General Office of the State Council revised the draft law. The 30 October 1984 executive meeting of the State Council discussed the draft law on mineral resources and decided to submit it to the NPC Standing Committee for examination and approval. The 11th and 12th meetings of the 6th NPC Standing Committee conscientiously and carefully discussed the draft law in 1985. After the meetings, the State Council organized concerned departments to comprehensively study and revise the draft law on mineral resources again.

Zhu Xun said: The draft law on mineral resources consists of 7 chapters and 50 articles, such as chapters on general principles, the rules governing mineral prospecting and mining, prospecting of mineral resources, exploitation and utilization, mining by village and town collectives and individuals, and legal responsibility. Its main provisions are: Mineral resources are owned by the state; the state practices unified management of prospecting, exploitation, and utilization of mineral resources. The draft law also provides for procedures to acquire the right to prospect, exploit, and use mineral resources and to fulfill obligations.

Zhu Xun said: In its general principles, the revised draft law explicitly provides that "state mining enterprises are the main organizations for exploiting mineral resources, and the state ensures their consolidation and development and guarantees their legitimate rights and interests and their production order from being violated or sabotaged"; "the state encourages, guides, and helps the development of collectively owned mining enterprises"; "the state, through its administration, guides, helps, and supervises individuals in exploiting mineral resources according to law"; and the state protects the legitimate rights and interests of state mining enterprises as well as collectively and individually owned mining enterprises. Thus, equal legal protection is extended to the state, collectives, and individuals in mining. Meanwhile, a chapter originally entitled "Operation and Management of Small Mines" has been revised to "Mining by Village and Town Collectives and Individuals."

He said: Exploitation of mineral resources by village and town collectives and individuals has played an important supplementary role in the development of our country's mining industry. According to incomplete statistics, village and town collectives and individuals are now engaged in mining in (?more than 120,000 places) across the country.

Take coal mining for example. Village and town collectives and individuals' coal output in 1984 was 210 million metric tons, accounting for one-fourth of the country's total. Besides, their production in metal and nonmetal mining is also a considerable proportion of the country's total output. Thus, they have played a role, which a big mine cannot play, in making full and rational use of scattered resources or bits of mineral resources left over by big mines. They have also played a role in accelerating the development of our country's mining industry, promoting regional economical prosperity, and helping people in poor, hilly areas shake off poverty and become better off.

However, there are many problems in mining by village and town collectives and individuals. It is therefore necessary to strengthen management and implement the central authorities' general principle of "opening up, invigoration, and good management" with a view to accelerating the exploitation of underground resources. Opening up and good management should be implemented at the same time. Opening up without good management will make it difficult to ensure normal order in mining by state mining enterprises and collectively - and individually-owned mining enterprises.

The development of our country's mining industry can be promoted only by acting according to the principles of "vigorous support, rational planning, accurate guidance, and improved management" laid down by the National Conference of Party Delegates for village and town enterprises. This principle conforms to actual conditions at present.

Zhu Xun said: The draft law on mineral resources does not deal with some important questions, such as doing geological work and setting up mining enterprises with Chinese and foreign investment or through Chinese-foreign cooperation. Such questions will be defined with the deepening of the structural reform, and a separate law will be enacted. Stipulations on some important systems are laid down in principle, such as prospecting and registration of mineral resources, examination and approval of applications for mining, supervision over mines, compensatory exploitation of mineral resources, and compensatory use of the achievements in geological work. Detailed rules and regulations on such subjects will be formulated and implemented after they are examined and approved by the State Council.

Civil Code Examined

OW111148 Beijing XINHUA in English 1127 GMT 11 Mar 86

[Text] Beijing, March 11 (XINHUA)-- A revised draft of the general principles of China's civil code was submitted here today to the 15th session of the Sixth National People's Congress Standing Committee for deliberation. Wang Hanbin, secretary general of the NPC Standing Committee and director of the committee's Legislative Affairs Commission, explained the revised draft to the session which began here this afternoon. Wang told the session that after the draft was examined by the NPC Standing Committee at its 13th session last November, the NPC law committee and the Legislative Affairs Commission invited experts on civil and economic laws, chief judges of local courts and leading members of standing committees of people's congresses from various localities to a forum to discuss the draft. The draft was distributed again to various localities to solicit opinions.

The revised draft provides that the general principles of the civil code are to protect the legitimate civil rights and interests of citizens and legal persons and correctly adjust civil relations to meet the demands of the country's socialist modernization drive. It also says that the civil code adjusts the property and personal relations between citizens, between legal persons, and between citizens and legal persons as equal subjects.

The civil code does not concern itself with state control of the economy, economic relations between the state and enterprises, or between enterprises themselves since these are covered by relevant economic laws.

The revised draft will be examined by the Sixth National People's Congress at its fourth plenary session to be convened on March 25.

Foreign Investment Law Gauged

OW111144 Beijing XINHUA in English 1114 GMT 11 Mar 86

[Text] Beijing, March 11 (XINHUA) -- China's revised draft law on enterprises financed by foreign firms was submitted today to the 15th session of the National People's Congress Standing Committee for deliberation.

Delivering a report on the revised draft law, the NPC Law Committee said that the original draft law is basically feasible, considering that it has summed up China's experience in using foreign investment in the past few years and drawn on the experience of foreign countries. The committee also suggested an addition of the stipulation that in accordance with China's regulation on taxation the foreign-invested enterprises should pay taxes and may apply for preferential treatment on tax-reduction and tax-exemption.

The revised draft law said that foreign-invested enterprises should be responsible for any imbalanced payment of foreign currency. If the products of the foreign-invested enterprises are on sale in China's market with the permission of proper authorities, leading to their imbalanced payment of foreign currency, the authorities which gave the permission will be responsible for the solution of the problem.

The Law Committee also suggested that the foreign-invested enterprises should submit their production and management plans to the proper authorities for the records. There should be no interventions in the operations and management activities of the enterprises that are in accordance with the approved rules. Some suggestions were also made on the supervision of accounting and taxation of the foreign-invested enterprises and on other issues.

SCIENCE, TECHNOLOGY DEVELOPMENT REVIEWED

HK110920 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 9, 3 Mar 86 pp 4-5

[Article by Gu Mainan: "Development of China's Science and Technology: Review and Prospects" -- capitalized passages published in boldface]

[Text] Five years are just a brief space of time in the long process of history. However, in the past 5 years, China's science and technology have made considerable progress.

At the beginning of implementation of the Sixth 5-Year Plan, the objective of China's leading scientific and technological department was to promote development of the national economy with scientific and technological progress, organize forces to tackle major technical problems or hurdles in scientific research, resolve crucial problems in the weak links of the national economy, such as energy conservation, energy development communications and transportation, and comprehensive use of resources, and provide advanced science and technology for environmental protection, urban construction, medical and health work, and family planning so as to propel the progress of our society as a whole.

Science and Technology Have Been Turned Into a Productive Force

Five years have now passed. Through the efforts of the nation's scientific and technological workers, great progress has been made in tackling major technical problems and hurdles in 38 projects and in popularizing 40 new technological items. Numerous important achievements have also been made in scientific research and technological development. Some 700 technological items have been given state awards for invention.

In agricultural production, the fine varieties of paddy rice, wheat, corn, cotton, and tobacco and improved breeds of livestock cultivated by various localities have been extensively used or bred on a large scale. As a consequence, their output has increased by a big margin. The technology of moving rubber tree planting farther north, first developed in China, is being constantly popularized.

In industrial production, China has succeeded in manufacturing the world's largest low-head generating unit with an installation capacity of 175,000 kilowatts, complete sets of equipment for large-sized opencut mines, and a 500,000-volt transmission transformer. We have also developed new spinning technologies, such as open-end spinning, automatic twisting spinning, and air-jet looms, and solved technical problems in comprehensively using the secondary minerals of Panzihua, Jinchuan, and Baotou.

As far as new technologies are concerned, electronic information technology has begun to take off. The use of microcomputers is being popularized. Fiber optic communications are being put to practical use. Fiber optic communications trunk systems between different telephone transmission offices have been established in Shanghai, Tianjin, Wuhan, and Nanjing. The biological engineering industries based on fermentation engineering which turn out antitoxins, vitamins, amino acids, organic acids, alcohol, and enzyme preparations have been put into production. China has also manufactured thousands of new kinds of materials.

In space technology, during the 16 years since 1970, China has launched 17 man-made satellites. Nine of them were launched during the Sixth 5-Year Plan period. Moreover, China has succeeded in manufacturing carrier rockets for launching geostationary orbit satellites.

Brilliant achievements have also been scored on the defense science and technology fronts. Many prize-winning projects developed from nothing have filled gaps in the Chinese Army's weaponry, thus reducing the disparity between the level of China's weaponry and the world's advanced levels. Some of our single-item technologies have reached the world's advanced levels. With new achievements in our defense science and technology fronts, China has become one of the countries that has mastered such advanced technologies as strategic nuclear weapons and fixed-point geostationary satellites. We are also a country capable of designing and manufacturing conventional weapons such as fighters, tanks, and warships.

In the last 5 years, China has also made rapid progress in its computer technology. With Chinese-made materials, China's scientists and technicians have succeeded in manufacturing the vector computer, which is capable of doing 10 million calculations per second, and a giant computer which is capable of doing 100 million calculations per second. The successful manufacture of the above computers shows that China's computer technology has reached the world's advanced levels. Complex problems involved in petroleum and geologic prospecting, making long- and medium-term weather forecasts handling satellite diagrams, and building up national defense can be solved by using home-made computers.

China has also had great success in using science and technology to conquer natural disasters and combat diseases. The successful forecasting of disastrous weather on many occasions has enabled the country to avoid huge losses.

Through years of persistent, unremitting efforts, China's specialists in medical science have found effective ways of permanently controlling choriocarcinoma, which gravely endangers women's health and lives. The cure rate of this malignant tumor has increased from 10.8 percent in the past to 89.9 percent presently. Experts have also found the medicines to cure nonlymphatic leukemia, whose mortality is high. Artificial synthetization of the effective ingredients of the cancer-resisting medicine -- Hainan's thick Chinese Torreya -- has attracted the attention of the world medical community. "Xiaozhiling" (an effective remedy for piles), which is manufactured under the guidance of traditional Chinese and Western medical theories, is not only exceptionally effective but also safe in clinically curing advanced internal piles.

Objectives for the Scientific and Technological Development During the Seventh 5-Year Plan Period

The 5 years of the Seventh 5-Year Plan will be extremely important to China in developing its science and technology. Faced with the challenge of a new technological revolution, the urgent task of China's scientific and technological work is to do all one can to catch up with world standards and narrow the gaps between China and the economically developed countries in this regard as quickly as possible. Although great successes have been scored in China's scientific and technological work in the past 5 years, according to experts, China's current scientific and technological levels are 20 to 30 years behind those of economically-developed countries. With continued effort in the 5 years ahead, the gap is expected to narrow to something like 10 to 20 years. In other words, during the Seventh 5-Year Plan period, China will strive to attain in 5 years time the level which can ordinarily be reached in 10 years time. -- IT IS NECESSARY TO LAY A BETTER FOUNDATION IN THE 5 YEARS AHEAD AND TO WORK HARD TO ACCUMULATE STRENGTH.

The period of the Seventh 5-Year Plan will be 5 crucial years for the laying of a sound foundation. Science and technology should make positive contributions for economic development, accumulate strength for further development in the following 10 years, and create conditions for an economic takeoff. Therefore, the main technological development strategy is to develop a coordinated technology that combines traditional technologies with new technologies in light of China's actual conditions, and to transform existing trades and enterprises with new technologies so they can be operated efficiently on the basis of modern technology and management. As far as new technologies are concerned, in line with the needs of national economic and social development, priority should be given to the use of new technologies in strategic key projects and their equipment in such areas as agriculture, energy industry, communications, and raw and semifinished materials. Priority should also be given to the development of such high technologies as electronic information technology, biological technology, and new materials technology. It is also necessary to extensively use appropriate and suitable technologies in rejuvenating the rural economy.

To implement this strategy, it is quite necessary that we continue to resolutely implement the policy of opening up to the outside world, strengthen scientific and technological exchanges between states, import new technology from abroad, attach importance to exploitation of intellectual resources and education, and raise the professional competence of the ranks of scientists and technicians. It has been estimated that under the guidance of this technological development strategy, and through the efforts made during the Seventh 5-Year Plan period, China will be more able to use scientific and technological progress in promoting economic development, to further improve its ecological environment, and to raise the people's living standards and nutritional level and the whole nation's cultural and educational levels.

-- IT IS NECESSARY TO BRING ABOUT A NEW GENERATION OF FARM CROPS AND TO ACCELERATE THE DEVELOPMENT OF ENERGY INDUSTRY AND COMMUNICATIONS.

With the development of breeding techniques during the Seventh 5-Year Plan period, by 1990 a new generation of China's major farm crops is expected to have emerged. With the new, highly disease-resistant and top-quality crop varieties, China will be in a better position to boost the output of its grain and industrial crops and to increase the variety of its commodities.

The development of breeding and feeding techniques in the animal husbandry sector will help breed lean-meat pigs with a lean-pork rate of 60 percent and delicious-meat, yellow-feathered poultry. These will enrich our markets.

New technology for accelerating the growth of forest trees and increasing their output and for cultivating young plants and technology for planting forest trees in arid or semi-arid areas will be priority goals in forestry scientific and technological research during the Seventh 5-Year Plan period. With the development of technology to comprehensively use forest trees, the usage rate and processing of remains of timber will increase from the present 10 percent to about 30 percent.

Energy technology is the important topic of scientific and technological development during the Seventh 5-Year Plan period. In the coal industry, main efforts will be concentrated on improving the tunneling and coal mining mechanization levels and shortening well construction periods. With the progress made in studying the burning technology of inferior coal and the technology for rationally using sulphur-rich coal, the amount of inferior coal consumed by 1990 will be equivalent to tens of millions of tons of top-quality coal.

The onshore oil exploitation technology during the Seventh 5-Year Plan period will probably reach the world technological level of the early 1980's. The development of new petroleum prospecting methods and their related new technologies and equipment will enable China to find more petroleum resources.

During the Seventh 5-Year Plan period, with regard to power industry, apart from continuing to develop new thermal power and hydropower technologies, China will make some breakthroughs in its nuclear power technology.

During the Seventh 5-Year Plan period, China will continue to implement the principle of "suiting measures to local conditions, developing diverse energy resources to meet the needs of all sides, and stressing comprehensive use and practical results" and will continue to study rural energy resources and new energy resources. Main efforts will also be concentrated on studying how to open up and plant energy forests and to use biological mass, solar, wind, marine, and geothermal energy resources.

To strengthen China's carrying and delivery capacity in its transportation production, during the Seventh 5-Year Plan period the technological study of railway, road, navigation, and air transportation will be a topic about which the state is very much concerned. The research of many key technological projects in building special railway lines for carrying coal with 10,000-ton heavy-duty trains, automatizing the operation and management of railways, building roads and ports, and manufacturing new-type long-distance passenger buses and planes for civil use will greatly facilitate China's comprehensive transportation technology.

-- SCIENTIFIC RESEARCH SHOULD SERVE THE ECONOMY AND BASIC SCIENCES AND THEIR APPLICATION SHOULD BE EQUALLY STRESSED.

Science and technology must promote both economic and social development. Scientific research in such areas as environmental ecology, labor protection, medical and health work, and family planning occupies an important position in the plan for scientific and technological development during the Seventh 5-Year Plan period.

The study of scientific and technological solutions to air and water pollution and of technology for controlling accidents causing injuries and deaths and harmful industrial pollution is an important topic in environmental and labor protection. Our priorities in medical scientific and technological research are cancer, viral hepatitis, cardiovascular and cerebrovascular diseases, key local diseases, and prevention and cure of snail fever. China will accelerate its efforts to systematize the ancient books on Chinese medicine and pharmacology and to study how to raise the level of using traditional Chinese medicines to prevent and cure diseases with the help of modern science and technology so as to establish a medical theoretical system with Chinese characteristics.

The study of mechanisms of birth control, contraceptives, and the science of improving the mental and physical fitness of the population, as well as scientific nursing methods, will provide a scientific and technological guarantee for China to put its population under effective control.

In basic scientific research, priority will be given to those topics that are potentially of great applicative value -- in particular, to the basic studies of the characteristics of China's natural conditions and resources. However, adequate importance will also be attached to the basic studies that are of great scientific significance. Key research projects in the basic research sector include 43 special topics in such areas as mathematics, chemistry, biotech science, geoscience, engineering science, and software science.

To fulfill the scientific and technological development tasks during the Seventh 5-Year Plan period, we must rely on both reform and qualified personnel. Our reforms should be beneficial in the sense that they commercialize achievements in scientific and technological research and put more scientific and technological commodities on the market. They should bring into play the role of key members of the ranks of our young and middle-aged scientists and technicians and strengthen the ability of our enterprises to use scientific and technological progress more conscientiously and bring economic levers into full play.

In personnel training, efforts will be made to open up new avenues of schooling and to train senior and journeyman professionals of various types, junior technicians, and skilled workers. At the same time, we will stress the training of scientific and technological managerial personnel. Continued education will be given to on-the-job scientific and technological workers by stages and in groups so they can upgrade their knowledge and become more professionally competent.

TIAN JIYUN, WAN LI AT URBAN ECONOMIC MEETING

OW110420 Beijing XINHUA Domestic Service in Chinese 1316 GMT 10 Mar 86

[Text] Beijing, 10 Mar (XINHUA) -- The first national conference on urban economic structural reform, which was organized by the State Council, opened in Beijing today. The conference will review progress in China's urban economic structural reform over the past few years, analyze the new situation, study new problems, map out the tasks of this year's urban reform, exploring ways for promoting lateral economic cooperation.

Wan Li, member of the Political Bureau of the CPC Central Committee and vice premier of the State Council, presided over the meeting today. Tian Jiyun, member of the Political Bureau of the CPC Central Committee and vice premier of the State Council, presented an important report on the situation and tasks of the ongoing economic structural reform.

Tian Jiyun said: China initiated its economic structural reform in the countryside, and has scored remarkable achievements in a short time.

Urban reform, which involves a larger area and can have a greater influence, is more complex and difficult than rural reform. However, under the correct leadership and guidance of the party Central Committee and the State Council and by relying on the enthusiasm and creativity of the broad masses of cadres and people, we have also made much headway in the urban reform. The decision of the 3d Plenary Session of the 12th CPC Central Committee concerning economic structural reform, which contains the blueprints and guiding principles for the comprehensive reform, has guided us to enter, in good time, a new stage in the reform of the national economy focused on the urban economy. In 1985, we made relatively good progress and scored better results than anticipated in the wholesome and smooth development of reform.

Tian Jiyun pointed out: Centering around the task of invigorating enterprises in restructuring the urban economy over the past few years, we have done a tremendous job in carrying out reforms in the fields of production, distribution, and circulation, as well as in the forms and methods of state economic management. The work can be seen mainly in the following six aspects: 1) expansion of economic decision-making powers and preliminary reform in the distribution system have imbued enterprises with dynamism and vitality; 2) initial readjustment and reform have enabled the ownership structure to better adapt to the level of productive forces in China; 3) a rapid development of the socialist commodity market has markedly enhanced the role of the law of value in regulating production and demand; 4) much headway has been made in implementing the policies of opening the country to the outside world and developing an open domestic economy, and in unfolding economic and technical exchanges with foreign countries and promoting lateral economic ties in the country; 5) large- and medium-sized cities have performed their functions as economic centers, and are playing an increasingly important role in stimulating and coordinating social and economic development; and 6) fruitful results have been made in exploring ways for preliminary reform of state economic management and for strengthening and improving macroeconomic control.

Tian Jiyun pointed out: Thanks to the reform, a number of penetrating changes are taking place in the operational mechanism and management system of the Chinese economy: The unitary public ownership system has changed to a multiform ownership structure with public ownership as the main body; the overconcentrated system of making economic policy decisions has changed to one that combines centralized and decentralized policy decisions at various levels; the egalitarian distribution system of unified allocation and collection of receipts has changed to distribution based on work and rational differentiation of rights and interests; the form of economic cooperation has changed from one marked mainly by closed vertical ties through government administration to one characterized mainly by open lateral ties; and the economic management system has changed from one relying mainly on direct administrative means to one relying mainly on economic and legal means. We should say that along with the continuous deepening of the reform, we have seen a clearer picture of socialist economic system with Chinese characteristics as well as a brighter road of reform.

Turning to the new situation and new problems emerging during the transition between China's new and old economic systems, Tian Jiyun pointed out: Due to the coexistence of new and old systems in the course of reform, imbalances, or even contradictions, difficulties, and problems, between microeconomic measures to enliven and macroeconomic measures to control the economy are hardly unavoidable. Correctly understanding the new situation and solving new problems is crucial for continuing to deepen the urban economic structural reform. He said: The economic restructuring is an extensive, penetrating, arduous, and complicated reform, during which it is impossible to avoid even a little twist and turn. It should be noted that compared with the mainstream of reform marked by the growth of economic vitality and emancipation of productive forces, problems and difficulties cropping up in the course of advance are undoubtedly secondary, partial, and temporary phenomena that can be completely overcome. In fact, many problems have been solved, and some are being solved. Only by thoroughly carrying out the reform can all problems be resolved.

Tian Jiyun said: As far as this year's urban economic structural reform is concerned, it is necessary to carry out the principle of "consolidation, assimilation, replenishment, and improvement" in order to consolidate and expand the successes of the reform and, at the same time, prepare for next year's important reform measures. He discussed this year's tasks from the following four aspects:

1. It is necessary to assimilate and replenish reform measures already taken, and consolidate and expand the successes of the reform. In the area of marketing, attention must be focused on continuing to enliven and open up the market and strengthening and improving market management. It is necessary to gradually reorganize retail commercial organizations in central cities. In commodity prices, efforts must be concentrated on consolidating and assimilating the reform measures already taken and striving to keep commodity prices basically stable. In distribution of income, it is necessary to mainly continue to improve the reform of the wage system for offices and institutions and the reform of wage and reward systems for enterprises.

2. It is necessary to intensify and improve macroeconomic control. While applying necessary administrative means, it is also necessary to more effectively use such economic regulating methods as banking and taxation, as well as legal means, to intensify and improve macroeconomic control in order to gradually ensure not only the control of total volume but also the structural control, thereby facilitating a balance between aggregate supply and aggregate demand and a sustained and steady growth of the national economy.

3. It is necessary to vigorously develop lateral economic ties. Development of lateral economic ties is a new measure in economic structural reform which is of great importance for deepening the economic structural reform and developing the social forces of production. Therefore, it is necessary to encourage them through policy and protect them by law. In further carrying out lateral economic cooperation, it is necessary to adhere to the following principles: The cooperation must be based on further invigoration of enterprises, especially large- and medium-sized enterprises; the cooperation must be voluntary and mutually beneficial and must promote common development; it is necessary to strengthen the guidance so that the cooperation can meet, as much as possible, the needs of state macroeconomic development and can avoid aimless expansion of investment scale on fixed assets and redundant construction projects; the cooperation must not follow just one formula and must be carried out in various forms; and unnecessary administrative interferences in the cooperation must be avoided.

4. It is necessary to do a good job in this year's economic work by continuing to try out reforms at selected units in order to prepare for next year's important reform measures.

In conclusion, Tian Jiyun said: To successfully carry out this year's tasks of reform is of great importance not only to next year's reform but also to all reforms during the Seventh 5-Year Plan period. He called on all localities and departments to actively and prudently promote economic structural reform by continuously summing up experiences and exploring realistic ways for carrying out reform.

Leading comrades of the party Central Committee and the State Council Fang Yi, Wang Zhaoguo, Zhang Jingfu, Wang Bingqian, and Song Ping attended the meeting today. Responsible comrades of all provinces, autonomous regions, and municipalities and responsible persons of the State Planning Commission, the State Economic Commission, the State Commission for Restructuring Economic System, and the Office on Economic Cooperation, as well as responsible persons of central party and state organs, are attending the conference.

LIAOWANG ON OPENING HINTERLAND, BORDER AREAS

HK081058 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 9, 3 Mar 86 pp 6-7

[Article by Lin Chen and Mei Minbui: "New Steps Taken in Opening Up to the Outside World by China's Remote and Interior Provinces and Regions"]

[Text] In recent years, China has further opened its doors to the world. As the applicability of the policy of opening up to the outside world is no longer limited to coastal cities and the special economic zones, the remote border areas and those provinces and regions in the Chinese hinterland are playing a more and more active role in promoting economic and technological cooperation and trade with foreign countries.

The New Pattern of Gradual Opening Up of Coastal Areas, the Hinterland, and Remote Border Provinces and Regions

The Chinese Government decided to set up the Shen hen, Zhuhai, Shantou, and Xiamen special economic zones after testing the opening-up principle featuring "special policies and flexible measures" in Guangdong and Fujian Provinces in 1979. China further opened 14 coastal cities in May 1984 and the Chang Jiang Delta, Zhu Jiang Delta, and the southern Fujian triangular zone 1 year later. Thus, from the opening up of certain spots to the opening up of vast areas, an open coastal economic belt has emerged. It is in the wake of the constant expansion of the scale of the use of foreign capital and import of advanced technology in coastal areas that the Chinese hinterland and remote border provinces and regions began to open their doors to the outside world. Hence, a new pattern of opening up to the outside world has gradually taken shape in China, from the south to the north, from the east to the west, and from the coast through the hinterland to remote border areas.

In-depth discussions and careful studies of the opening-up process in the Chinese hinterland and remote border provinces and regions have been going on in the Chinese economic circles. In early 1982, some specialists pointed out that the unbalanced economic development has divided China into three sections in terms of their economic and technological force: the coastal, hinterland, and remote border sections, respectively corresponding to advanced, intermediate, and traditional technology. Therefore, in implementing the policy of opening up to the outside world, China should let the advanced coastal areas absorb advanced technology first and then transfer it to those areas with intermediate and traditional technology.

The Chinese hinterland and remote border provinces and regions have a relatively weak economic basis and their scientific and technological level and cultural level are much lower than the country's average level. The nine provinces and regions of Nei Monggol, Xinjiang, Ningxia, Guangxi, Qinghai, Xizang, Gansu, Yunnan, and Guizhou are an example. The gross industrial and agricultural value of all these provinces and regions added together is lower than 10 percent of that of the whole country; their per capita gross industrial and agricultural output value is a little higher than the middle value of the country's average level; the proportion of college graduates to the population is 8.7 percent lower than the country's average level; and the proportion of illiterates and semiliterates among the population above the age of 12 is 27 percent, or 4 percent higher than the country's average level.

All these factors determine that the hinterland and remote border provinces and regions will encounter more difficulties than coastal areas in implementing the policy of opening up.

Undue emphasis on the necessity of importing the most advanced technology into these areas may possibly lead to "indigestion." Therefore, when adopting the general guideline of opening up to the outside world, China has emphasized the strategic principle of pressing on with the process step by step from the coastal areas through the hinterland to remote border areas.

The hinterland and remote border areas have their own favorable conditions. They possess over 95 percent of the country's rare-earth resources, more than 50 percent of the country's proven coal deposits, and most of its rare metal deposits. China's five major natural pasturelands (Xinjiang, Nei Monggol, Xizang, Qinghai, and Gansu) are included in these areas. In addition, the five autonomous regions alone possess 50 percent of the country's water resources, or potential power of about 350 million kilowatts. Various ecological resources distributed in these areas are also of enormous exploitable potential. At the moment it is difficult for us to exploit on a large scale all these resources by solely capitalizing on our own financial and material resources. Practice has proved that it is feasible to exploit the rich energy resources in those underdeveloped areas and make up for the country's deficiencies by properly introducing foreign capital. At present, the coal mining project in Pingshuo, Shanxi Province, is financed with hundreds of millions of dollars provided by Occidental Petroleum and supported with the advanced technology developed by the same company.

When talking about the opening up of the hinterland and remote border areas in August last year, State Councillor Gu Mu, who is in charge of the implementation of the opening-up policy, pointed out: If foreign businessmen intend to run resource exploitation projects or other projects that will bring in advanced technology and will score excellent economic results, their applications will be "processed as special cases" and will be given preferential treatment with the permission of the state departments concerned.

According to the statistics by the departments concerned, the 11 provinces and regions of Nei Monggol, Heilongjiang, Guangxi, Guizhou, Yunnan, Gansu, Ningxia, Xinjiang, Sichuan, Qinghai, and Shanxi last year signed a total of 249 contracts with foreign business firms involving a total investment of \$773 million and accounting for 12.2 percent of the total foreign funds introduced into China that year, an increase of several times over 1984. Meanwhile, many provinces and regions held symposiums on economic and technological cooperation with foreign interests in various forms. Gansu and some other provinces and regions even sent delegations to Beijing, bringing along with them some project proposals to call for tenders from potential Chinese and foreign partners for economic and technological cooperation. All these activities showed the substantial progress made in the process of opening up the Chinese hinterland and remote border provinces and regions in 1985.

At present, use of foreign funds and the import of technology have scored results in the hinterland and remote border areas, adding new vitality to the economic development there. In introducing technology, some remote border areas have paid attention to the necessity of introducing applicable technological projects which can help to fully use and exploit rich resources available locally. Some well-operated enterprises which have introduced advanced technology are now playing a leading role in invigorating other related enterprises. In Ju League in Nei Monggol Autonomous Region was economically underdeveloped in the past. The league introduced advanced wool carding and processing technology from Japan a few years ago. As a result, the wool output rate has been raised considerably and has exceeded by far that of Shanghai, where the most advanced wool mills in China are located. Enterprises in the league have also caught up with other enterprises of the same type at home in terms of economic results. The introduction of advanced technology has played an important role in making full use of the locally available wool resources and in invigorating the local economy.

A large number of backbone enterprises have been built in the northwest and some provinces and regions in the hinterland. With a strong technological force, these enterprises have great potential. In the process of opening up to the outside world, they have attached importance to giving full play to their favorable conditions and thus made contributions to the economic development of the remote border areas by making use of their advanced technology. China Jialing machinery plant in Chongqing City, Sichuan Province; a large plant affiliated with the Ministry of Ordnance Industry, has managed to upgrade its products after importing Honda motorcycle manufacturing technology from Japan. At present this plant's products are well received on the domestic motorcycle market.

Problems and Solutions

The Chinese hinterland and remote border areas have scored some results in a short time in implementing the policy of opening up to the outside world. However, they have also shown some deficiencies.

Inefficiency in information circulation, backward communications networks, and poor industrial basis are the common problems that these areas are faced with. Some places which did not pay enough attention to these unfavorable factors blindly imported some advanced technology. These projects have proved to be a waste because the imported technology failed to be applied to production. On the other hand, however, some areas have imported primitive technology or technology that was available at home. After all, the most conspicuous problem is the lack of professional personnel specialized in foreign trade and economic and technological exchange.

Officials concerned and specialists of the Ministry of Foreign Economic Relations and Trade and the State Planning Commission hold that the hinterland and remote and border areas must strengthen information gathering in the course of opening up to the outside world and must be more cautious and patient than the coastal areas in taking any action. They should introduce those projects which are advanced in technology, feasible in production, and promising in economic results, in light of their specific economic and social conditions. The specialists have particularly emphasized that these areas must vigorously strengthen personnel training. Recently, many provinces and regions have drawn up long-term plans for the training of foreign trade personnel.

Some areas have begun to pay attention to integrating the use of foreign capital with the exploitation of local resources and the transformation of promising local enterprises. This has become a basic principle to be followed by the hinterland and remote border areas in drawing up their opening-up plans. At present and for a time in the future, in stepping up the process of opening up to the outside world, these areas are to concentrate their attention on the development of the coal, petroleum, power, hydropower, transportation, and nonferrous metallurgical industries, as well as the improvement of pastureland and the development of the fruit processing industry.

The forms of exploitation of resources are varied. The Chinese Government allows foreign businessmen to make direct investment in the exploitation of resources or exchange advanced technology for resources in the form of compensation trade.

At the same time, based on the state's unified policy on preferential treatment regarding introduction of foreign capital, the hinterland and remote border areas are also allowed to adopt preferential measures in accordance with their own conditions. For example, Guizhou Province, which is rich in natural resources, has made it a rule that joint ventures; cooperation enterprises, or sole proprietorship enterprises established in the province by foreigners, Overseas Chinese, Hong Kong and Macao compatriots, or their companies or units are to enjoy preferential treatment.

The province will supply the mineral resources, services, and sites for these enterprises. Apart from enjoying reducing and exemption of taxes according to the state's laws on taxation, the enterprises will also get a 20-40 percent reduction in the local income tax for 10 years and be exempt from the property tax for 1-3 years after they begin operations.

The investment environment is also being improved in these areas. The Chinese Government plans to make more efforts to build the infrastructure. The government has already decided to build a superhighway linking Shanxi with Ginhuangdao.

NATIONAL FAMILY PLANNING MEETING ENDS 4 MARCH

HK110833 Beijing RENMIN RIBAO in Chinese 5 Mar 86 p 3

[Report by Bai Jun: "National Meeting To Commend Advanced Units and Individuals in Family Planning Ends, Calls For Continued Efforts in Family Planning"]

[Text] At the 4 March closing session of the national meeting to commend advanced collectives and individuals in family planning work, all representatives enthusiastically applauded to show their approval of an appeal to leading comrades and comrades engaged in and supporting family planning work on all fronts in various localities.

In order to implement the instructions of the party Central Committee, fulfill the population goals of the Seventh 5-Year Plan, and attain the goal of containing the population of our country to within 1.2 billion at the end of this century, the representative proposed the idea of serving the overall situation and regarding the enhancement of social benefits as the sole principle for family planning work. Under the leadership of party committees and governments at various levels, we should closely cooperate with the departments concerned and continue to resolutely implement the spirit of Document No 7 issued by the CPC Central Committee in 1984. We should regard effective control over population growth, a close relationship between the party and the masses, and promotion of unity and stability as the standards for assessing the social benefits of family planning work.

The appeal proposes that the work of building spiritual civilization permeate the entire process of family planning work. We should lead the masses in further shaking off the influence and trammels of old ideas and gradually fostering a new idea on childbirth so that the masses will more consciously practice family planning. In doing family planning work, we must adhere to the principle of conducting civil affairs with civil methods and guard against and overcome the practice of coercion and giving out orders. We should play an exemplary role in observing laws.

The appeal demands adherence to the principle of seeking truth from facts and the method of proceeding from reality. In formulating plans, implementing policies, carrying out publicity and educational work, and providing medical and technical services, we must suit measures to local conditions. We should give specific guidance according to specific conditions so that family planning work can be done more reasonably. We should spread effective forms and methods for serving the masses, enthusiastically provide the masses with quality services in family planning, publicity in medicine and tools, in techniques, and in eugenics, and should help the masses solve problems. The appeal of the representatives attending the meeting hopes that family planning departments will strive to improve themselves and to make new contributions to the exploration of a new path of family planning with Chinese characteristics.

Wang Wei, minister of the State Family Planning Commission, spoke at the closing session. He spoke highly of the advanced deeds of the advanced collectives and individuals and hoped that they would treasure the honor given them by the party and the people and do their work even better. This commendation meeting opened in Beijing on 1 March.

AVIATION INDUSTRY DEVELOPS IN SIXTH 5-YEAR PLAN

HK080504 Beijing CHINA DAILY in English 8 Mar 86 p 2

[Text] The past five years have been golden ones for China's aviation industry. The development and production of civil airplanes, like military aircraft, have made important breakthroughs during the period, according to an article in the newspaper ECONOMIC INFORMATION. To date, several hundred China-made airplanes are flying in the country's air space. They play a significant role in the country's economic construction. During the Sixth Five Year Plan (1980-85), the country developed the Y-7 and Y-12 civil airplanes, and successfully updated the H-9 Y-7-100, Y-12-2, Y-8 sea plane, and Y-8 helicopter, as well as the superlight planes Bee and Butterfly with foreign co-operation and technology imports. Meanwhile, plane engine development also saw progress. The Turbine-5 and 6 series met the demand in that period.

The quality and performance of the country's airplanes are approaching international levels. Navigation equipment in Y-7-100 and in Y-12-2 passed inspection by US Far23 and Far135 late last year. The State Civil Aviation Administration of China, CAAC, also certified the equipment quality of the two models. Now, the country is mass-producing Y-5, Y-7 Y-8, Y-11, Y-12, H-9 cargo, passenger and special purpose planes and helicopters. Among these planes, the Y-7 is a newcomer to the country's air routes.

Including planes produced in previous five-year plan periods, the country today has several hundred planes of various models working in agriculture, forestry, husbandry, geological prospecting, ocean oil drilling and air transport. The newspaper reported that more than 200 new airplanes will join the current fleet flying in China and to other countries during the Seventh Five-year Plan period starting this year. During this period, emphasis will place on the development of aircraft for feeder passenger lines and farming-forestry-use planes. The country will also plan to develop two new plane models and two new medium and small-sized turbine engines. Meanwhile, Y-7 and Y-12 planes will undergo improvement. Y-7 will be given top priority to enable it to reach international standards. With support from the Caac, 15 China made Y-7 planes will go into domestic passenger service this year, breaking the monopoly of foreign planes in China's passenger transport.

23.7 BILLION YUAN IN TREASURY BONDS ISSUED

OW110001 Beijing XINHUA Domestic Service in Chinese 1136 GMT 10 Mar 86

[By JINGJI RIBAO reporter Zhang Nianqun and XINHUA reporter Tian Chuan]

[Text] At the national conference on treasury bonds held today, Vice Minister of Finance Chen Rulong revealed that as of the end of last year, China had issued treasury bonds for five consecutive years, totaling 23.7 billion yuan. These bonds have played an important role in stabilizing and developing the national economy.

China began to issue treasury bonds in 1981. At that time, the state had raised the purchase prices for 18 varieties of farm and sideline products including grain crops, cotton, and oil-bearing crops, expanded the enterprises' decision-making power, readjusted some workers' wages, implemented the reward system, and begun to help millions of unemployed young people find jobs and handle other problems left over from the "Great Cultural Revolution." As a result, the state had accumulated a fairly large deficit. Chen Rulong said: All of the 4.8 billion yuan in treasury bonds issued in 1981 were used to make up the deficit in 1980.

Chen Rulong said: Changes were made in the use of revenue from treasury bonds issued after 1982. It was basically used to support key construction projects. The issuance of treasury bonds has become a method used by the state to pool idle funds in society for the development of construction projects. The revenue from the issuance of treasury bonds over the past several years has played an active role in developing some key construction projects in energy and transportation, and in balancing the various economic sectors in the country. He said: Let us review the past. If we did not issue these treasury bonds and were short of the 23.7 billion yuan from the treasury bonds, we would be short of construction funds during the Sixth 5-Year Plan period and the speed in construction would also be affected. Chen Rulong said: During the Seventh 5-Year Plan period, the state must be prepared to rejuvenate the economy for the next decade. We need a large amount of funds for economic construction. Right now, the total amount of extra-budgetary funds equals 140 billion yuan, and the amount of savings deposits of urban and rural residents totals 160 billion yuan. Therefore, the continuous issuance of some treasury bonds during the Seventh 5-Year Plan period is not only necessary but also possible.

BANK REPORTS INCREASED URBAN RESIDENTS DEPOSITS

HK110409 Beijing CHINA DAILY in English 11 Mar 86 p 2

[Text] The China Industrial and Commercial Bank, which was established in 1984 to collect the savings of urban residents and enterprises and put them to work in modernizing China, reports that the deposits of individual urban residents rose last year by more than 33 per cent. The Harbin-based ECONOMIC INFORMATION HERALD says such deposits at the end of 1985 totalled 89.5 billion yuan (\$28 billion), an increase of 22.4 billion yuan (\$7.5 billion). Of the total, 43 per cent was deposited in the country's 41 large and medium-sized cities.

In its two years of existence, the Industrial and Commercial Bank has seen its total deposits, both those of individuals and enterprises, grow by 52 per cent over the amount deposited in its predecessor bank. The two-year increase, amounting to 63.9 billion yuan (\$20 billion), was more than half of the total growth of urban savings in the previous 34 years. In 1985, some 65 per cent of the bank's available loan funds had been collected by the bank itself, up from 56 per cent the previous year. The other 35 per cent was supplied by the Bank of China, the nation's central bank.

Last year, the bank tightened up on loans after the easy credit of the previous year had threatened to overheat the economy. At the same time, the bank used advertising and promotion techniques to encourage more individuals and enterprises to make use of its facilities. One result was that at the end of the year it had nearly 400 million yuan (\$125 million) of unused loan funds on hand, 44 per cent more than a year earlier. In the past two years, the bank has lent out more than 10 billion yuan (\$3.1 billion) to assist 65,000 technical updating projects involving energy, communications, electronics, machinery, textiles and light industry. Of these, 40,000 have gone into production.

DENG PUFANG REMARKS ON DENG XIAOPING'S HEALTH

HK120352 Beijing ZHONGGUO XINWEN SHE in Chinese 1245 GMT 11 Mar 86

[Excerpt] Beijing, 11 Mar (ZHONGGUO XINWEN SHE) -- While answering some foreign reporters' questions today, Deng Pufang, Deng Xiaoping's eldest son, said: "We are with our father every day. I think he is in very good health. For example, since last winter, the members of our family have caught cold one after another, with him being the only exception." Smiling, Deng Pufang told the reporters that whenever his father failed to make a public appearance for just a short time, there would be rumors abroad about his father's health. He said: "I think these rumors are ridiculous. Some people always want to get something out of these rumors, to see something in them, or to file some news so as to attract their readers."

When answering a question from a reporter of the Australian Broadcasting Company about Deng Xiaoping's whereabouts, he made these remarks: "My father is, naturally, where he is supposed to be and does what he is supposed to do." A burst of laughter followed.

DENG LIQUN AT BEIJING STUDENTS MEETING

OW111108 Beijing Domestic Service in Mandarin 2230 GMT 10 Mar 86

[Text] A number of Beijing college students went in five groups to the Dagang oil field, the Laoshan frontline, and other places for study and observation tours during their winter vacation. This activity generated tremendous repercussions in universities and colleges in the capital. At yesterday's report meeting on Beijing college students' study and practice activities during vacation, Deng Liqun, secretary of the CPC Central Committee's Secretariat, expressed the hope that students will continue to engage in such activities.

OFFICIALS ATTEND SUN YAT-SEN DEATH ANNIVERSARY

OW120850 Beijing XINHUA in English 0836 GMT 12 Mar 86

[Text] Beijing, March 12 (XINHUA) -- A ceremony to commemorate the 61st anniversary of the death of Dr. Sun Yat-sen was held here this morning in Zhongshan Park. Among the 200 people present at the ceremony were Zhou Gucheng, vice-chairman of the Standing Committee of the National People's Congress, Yang Jingren, Liu Lantao, Hu Ziang, Qian Changzhao, Fei Xiaotong and Qu Wu, vice-chairmen of the Chinese People's Political Consultative Conference (C.P.P.C.C.) National Committee. Held in the Zhongshan memorial hall, the ceremony was presided over by Qian Changzhao, who is also vice-chairman of the Central Committee of the Chinese Kuomintang Revolutionary Committee.

After the ceremony began, those present stood in silent tribute before the portrait of Dr. Sun for three minutes. Then, baskets of flowers were laid before the portrait by representatives of the C.P.P.C.C. National Committee, the United Front Work Department of the Chinese Communist Party Central Committee, the Central Committee of the Kuomintang Revolutionary Committee, and the Beijing Municipal People's Government. Also present at the ceremony were Standing Committee members of the National People's Congress and the C.P.P.C.C. National Committee, leading members of the Central Committee of the Kuomintang Revolutionary Committee and other departments. Similar ceremonies were also held in Shanghai, Guangzhou, Nanjing and Wuhan.

KANG KEQING AT EXHIBIT HONORING SUN YAT-SEN

OW121228 Beijing XINHUA in English 1214 GMT 12 Mar 86

[Text] Beijing, March 12 (XINHUA) -- A photographic art exhibition honoring Dr Sun Yat-sen, great forerunner of China's democratic revolution, opens today at the China national art gallery. On display are 250 photographs carefully selected from thousands of pictures submitted to the "ode to the motherland" photo contest, which was held last year in Zhongshan City, Guangdong Province, hometown of Dr Sun Yat-sen.

Born in 1866 in Zhongshan, Dr Sun dedicated his life to the struggle against feudalism and for the prosperity of the Chinese people. He led the 1911 revolution, which overthrew the Qing Dynasty, the last monarchy in Chinese history.

The exhibition, co-sponsored by the Chinese Photographers' Association and the photo studio of Zhongshan City to mark the 61st anniversary of Dr Sun's death, mirrors the great changes that have taken place in his hometown and the peaceful life and well-being of the Chinese people. The top-prize winner was "New Generation at the Lamp", taken by Cai Junrong, reporter from the YANGCHENG EVENING NEWS. The photograph presents a vivid scene showing a dozen peasant students buried in their books against the dark curtain of night. The lingering fire of oil lamps reflects the attentive faces of the students. Shi Shaohua, president of the Chinese Photographers' Association, hailed the display as a beneficial and successful experiment conducted by Zhongshan photo studio.

Kang Keqing, vice chairman of the National Committee of the Chinese People's Political Consultative Conference, attended the opening ceremony and cut the red ribbons. Also present were about 500 photographers and photographic lovers. The exhibition will run until March 25.

GU MU HEADS NEW TOURIST COORDINATING GROUP

OW120631 Beijing XINHUA Domestic Service in Chinese 0250 GMT 11 Mar 86

[Text] Beijing, 11 Mar (XINHUA) -- The State Council has decided to establish the Tourist Coordinating Group and appoint State Councillor Gu Mu to be its head and Wang Shuming and Liu Zhongyi to be its deputy heads. In its circular on establishing the State Council's Tourist Coordinating Group, the State Council General Office points out: China owns what may well be called first-rate world tourist resources. There are bright prospects for developing tourism. The turnover of funds in tourism is fast, and incomes in foreign exchange are big. The development of tourism means more jobs. It can also improve the management of other related trades and spur their development. In addition, it may promote spiritual civilization and friendly contacts with people of all countries in the world.

The State Council General Office's circular emphatically points out: Developing tourism is an important component in China's economic construction. Politically, it is also of great significance. The development of tourism involves many aspects. It is necessary to regard it as a systems engineering project and draw a plan. To coordinate work in all aspects, the State Council has decided to establish the Tourist Coordinating Group. Units in all localities and all departments must actively support and coordinate with the group.

I. 12 Mar 86

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CHINA
PRC NATIONAL AFFAIRS

DENG XIAOPING WRITES TITLE FOR FANG ZHIMIN BOOK

OW120510 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 10 Mar 86

[Excerpt] The collected works of Comrade Fang Zhimin, a great proletarian revolutionary and distinguished peasant movement leader, have been published by the People's Publishing House. The first copies of a deluxe edition will be on sale in Nanchang on 12 March. Comrade Dang Xiaoping inscribed the title of the book.

COMMISSION COORDINATES PROJECT CONSTRUCTION

OW111244 Beijing XINHUA Domestic Service in Chinese 1227 GMT 10 Mar 86

[By Central People's Broadcasting Station reporter Li Wenxiang and XINHUA reporter Huang Fengchu]

[Text] Beijing, 10 Mar (XINHUA) -- The State Planning Commission recently decided to experiment on building a "group of related projects" in Jindongnan and Jiaozuo Prefectures during the Seventh 5-Year Plan. This will be an attempt to improve China's capital construction management system and strengthen lateral coordination.

For a long time, China has allocated its capital construction investment for planned projects to localities and departments concerned. As a result, the funds are divided up, builders of related projects are UN coordinated, and efforts are not in concert. Such a situation also exists in the construction in Jindongnan and Jiaozuo Prefectures. The two prefectures have abundant coal resources, with a confirmed reserve of some 70 billion metric tons of anthracite and high-grade coal for power generation. Their aluminium ore reserves rank second in China. In the past, Shanxi and Henan Provinces, Changzhi, Jincheng and Jiaozuo cities, and eight central departments, including the coal, water conservation and electric power, railways, chemical industry, metallurgical, and nonferrous metal industry departments, separately invested in new construction projects in these two prefectures. Lack of coordination among various localities over construction projects made it difficult for the projects to benefit each other and prevented them from yielding maximum economic results and social benefit.

The construction of a "group of related projects" in Jindongnan and Jiaozuo Prefecture will not change the existing planning system of various departments and localities, but it will bring into full play the initiative of both central and local authorities; ensure unified planning, rational arrangement, synchronous construction, and coordinated development; and strive to improve overall results. During the Seventh 5-Year Plan, the state will invest more than 4 billion yuan in 14 large and medium projects of coal, electric power, railroad, and heavy chemical industries in Jindongnan and Jiaozuo Prefectures. The new construction practice will increase the annual raw coal output in the area to over 60 million metric tons by 1990, 22 million metric tons more than in 1985; increase total capacity of thermoelectric generators in the region by more than 200 percent; and enable the area to ship out some 40 million metric tons more than in 1985. The new practice will expedite the completion of the Shanxi chemical fertilizer plant in 6 months. The plant is designed to produce 300,000 metric tons of synthetic ammonia and 900,000 metric tons of nitrophosphate fertilizer with coal as raw material. Henan Province and the China nonferrous metal industrial corporation reached an agreement in 1984 to build the Zhongzhou aluminium plant. However, the project has not been started because of electric power shortage, and the state still has to spend a large amount of foreign exchange on aluminium import. The new construction practice will expedite the Zhongzhou aluminium plant project because electric power and other projects will be built at the same time.

JIANGSU'S HAN PEIXIN, OTHER LEADERS PLANT TREES

OW090328 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 8 Mar 86

[Text] On the morning of 8 March, leading comrades of the Jiangsu provincial party committee, the provincial People's Congress Standing Committee, the provincial government and the provincial CPPCC Committee performed voluntary tree-planting service in the greening area of provincial-level organizations at (Shizishan) in Pukou District in Nanjing City.

At 0900, Han Peixin, Shen Daren, Sun Han, Chen Huanyou, Sun Jiazheng, Hu Fuming, Chu Jiang, Li Zhizhong, (Luo Yunlai), and other leading comrades arrived at the (Shizishan) greening area by motor vehicle and started spadework on a small hillside. Because there had been no rainfall here for the past 50 days or so, the soil was quite hard and dry. Han Peixin and other leading comrades exerted all their strength to turn up the soil and plant pine tree saplings. They then watered the saplings and soil. The provincial leaders and comrades of provincial-level organizations spent a whole morning planting more than 2,000 saplings. With the work finished, the provincial leaders held a discussion with local responsible persons and asked about local afforestation and agricultural production.

JIANGSU LEADERS ATTEND WOMEN'S DAY MEETING

OW080500 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 6 Mar 86

[Excerpts] This morning, the Jiangsu Provincial Women's Federation held a meeting at the Great Hall of the People in Nanjing to commemorate the 76th anniversary of the 8 March International Women's Day. Responsible members of the party, government and army including Han Peixin, Shen Daren, (Yu Fangcheng), (Lu Ce), He Binghao, Yang Yongyi, Zuo Ai, and (Wang Tailan), along with Wang Yun, former member of the Secretariat of the All-China Women's Federation and member of the CPPCC National Committee, attended the meeting.

Shen Daren, deputy secretary of the Jiangsu Provincial CPC Committee, extended greetings on the occasion and kind regards to the broad masses of women who are working hard on all fronts in this province on behalf of the provincial CPC Committee and the provincial people's government. He also said: Numerous facts have proven that the broad masses of women are important forces in building the two civilizations and wholly capable of assuming their responsibilities. Finally, Shen Daren hoped that the broad masses of women in this province would display the spirit of the foolish old man who moved mountains; strive to raise their own educational, scientific, and technological level; foster the ideals of fighting for revitalizing the Chinese nation; work hard at their posts with self respect and courage; give full play to their wisdom and talents; and quickly become professional people and experts for the building of the four modernizations.

WAN SHAOFEN ADDRESSES FORUM ON OLD BASE AREA

OW090939 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 9 Mar 86

[Excerpts] The provincial Commission for Development of Old Revolutionary Base Areas held a plenary meeting in Nanchang on 4 and 5 March. Special advisers to the commission and responsible persons of departments concerned attended. Wan Shaofen, secretary of the provincial CPC Committee and chairman of the provincial Commission for Development of Old Revolutionary Base Areas, presided over the meeting.

The meeting heard and discussed a report by the provincial Office for Development of Old Revolutionary Base Areas on its work in Jiangxi's old revolutionary base area in 1985 and its suggestions for 1986. It discussed the overall plan on the rational distribution and the use of the development funds. It also decided to hold a provincial conference on the work of developing the old base areas in mid-March.

Xu Qin, Jiang Zhuping, (Liu Zhonghou), Fang Qian, and (Wu Yunsheng), vice chairmen of the commission, spoke at the meeting.

Comrade Wan Shaofen spoke before the meeting's close. She said: Last year, with the cordial concern of the central leading comrades, we seriously implemented the guidelines of the Eighth Jiangxi Provincial CPC Congress and pushed forward the work of developing the old base areas. This year we are going to further implement the guidelines and take a giant step forward in developing the old base area. Besides resolving food and clothing shortages in (Tekui) township, other specific targets should also be set to change the poverty conditions in key counties in the old base area. People in the base area should acquire a development mentality. I hope that some of these counties will catch up with the rest of the province.

WAN SHAOFEN ADDRESSES JIANGXI WOMEN'S DAY MEETING

OW090439 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 7 Mar 86

[Report by station reporters Hu Di and Luo Ya -- portions recorded]

[Excerpts] A grand meeting was held this morning in the Jiangxi Guesthouse by women from all circles of Jiangxi Province and Nanchang City and foreign women scholars staying in the province -- numbering 300 in total -- to mark the 76th anniversary of the 8 March International Working Women's Day. The meeting was presided over by (Yu Yumei), vice chairman of the provincial women's federation.

Among those present at today's celebratory meeting were Wan Shaofen, secretary of the provincial CPC Committee; Bai Dongcai, member of the Central Advisory Commission; Zhu Zhihong, secretary of the provincial Discipline Inspection Commission; Liu Bin, vice chairman of the Standing Committee of the provincial People's Congress; Lu Liang, vice chairman of the provincial CPPCC Committee; (Lei Qingshan), deputy director of the political department of the provincial military district; (Jiang Zhongting), deputy secretary of the Nanchang City CPC Committee; and Wei Xiuying, veteran Red Army fighter; as well as responsible comrades from the provincial departments concerned.

Comrade Wan Shaofen addressed the meeting. [begin recording] Comrades and sisters: On behalf of the provincial CPC Committee, I extend cordial regards and festive greetings to all comrades, sisters, and friends here and to our women comrades and sisters on all fronts and of all walks of life throughout the province. [applause] We are glad to see [recording fades, superimposed by announcer]. In her speech, Wan Shaofen expressed the hope that the broad masses of women and sisters in the province would work together with one mind and play, with vigor and vitality, their role of holding up half the sky in doing a quality and efficient job to fulfill the various tasks in our province for the first year of the Seventh 5-Year Plan. In particular, she said, women in old revolutionary base areas should carry forward the self-reliant spirit and the spirit of the foolish old man who removed the mountains to develop diversified operations and to strive hard in order to eradicate poverty, become better off, and change our backward state. She also hoped that the broad masses of women would enhance their sense of historical responsibility, join and promote the work of reform, discard the sense of inferiority, and, in the course of making reforms, be bold and adept at opening up new and broad opportunities to display their wisdom, strong points, and potential.

She urged them to strive to improve their political and ideological quality, educational level, and knowledge of science and technology; raise their consciousness of self-esteem, self-respect, self-dignity, and self-enhancement; resolutely safeguard the legitimate rights and interests of women and children; and make even greater contributions to bringing about a conspicuous improvement of party style and the standards of social conduct in our province this year. In addition, Comrade Wan Shaofen hoped that the broad masses of women and sisters throughout the province would deal properly with the questions of love, marriage, and family and act as models in promoting socialist spiritual civilizations.

In conclusion, Comrade Wan Shaofen said: [begin recording] Women in Jiangxi, especially those in the old revolutionary base areas, are noted for their spirit of hard struggle and dedication. In the years of the revolutionary war, they made great sacrifices and significant contributions. We women of Jiangxi in the 1980's should inherit and carry forward this glorious tradition, work hard, explore new ways to advance, and make fresh and even greater contributions to winning new victories in 1986 and to the all-round fulfillment of our province's Seventh 5-Year Plan. [applause] [end recording]

SHANGHAI PARTY CONGRESS SECRETARY GENERAL NAMED

OW101343 Shanghai WEN HUI BAO in Chinese 4 Mar 86 p 1

[Text] Name of the secretary general of the fifth Shanghai municipal party congress. (Approved by the plenary preparatory meeting of the Fifth Shanghai Municipal Party Congress on 3 Mar 1986).

Zeng Qinghong.

NAMELIST OF SHANGHAI PARTY CONGRESS PRESIDUM

OW101341 Shanghai WEN HUI BAO in Chinese 4 Mar 86 p 1

[Text] Namelist of the Presidium of the fifth Shanghai municipal party congress. (Approved by the plenary preparatory meeting of the Fifth Shanghai Municipal Party Congress on 3 March 1986).

(Seventy persons in all, listed in the order of the number of strokes in their surnames.)

Wang Tao, Wang Jian, Wang Yaoshan [3769 1031 1472], Wang Zhizhong, Mao Jingquan, Ping Changxi [1627 2490 0823], Long Yue, Shi Zhusan, Ye Gongqi, Ye Jinming, Xing Zhikang (female), Zhu Erpei, Zhu Zongbao [2612 1350 5508], Liu Zhenyuan, Jiang Rong [3068 2837], Jian Zemin, Xu Wensi, Sun Guizhang [1327 6311 3864], Rui Xingwen, Yang Jiadong [0917 1367 2767], Yang Kai, Yang Di, Yang Shifa, Yang Xinpei, Yang Guangchi [2779 0342 3069], Yang Huaiyuan [2799 2037 6678], Yang Xuanwu, Li Gancheng, Li Guohao, Li Peinan, Li Zhaoji, Wu Bangguo, Di Jingxiang, Zou Shichang [6760 0013 2490], Wang Daohan, Song Richang, Zhang Qi [1728 4388], Zhang Chengzong, Zhang Dinghong, Zhang Ruifang (female), Chen Yi, Chen Zhili (female), Chen Guodong, Chen Tiedi (female), Luo Shiqian [5012 0013 6197], Zhou Bi, Zhao Xingzhi, Zhao Qizheng, Zhao Dingyu [6392 1353 3768], Zhao Hengcan [6392 1854 3503], Hu Lijiao, Ha Baoxin, Zhong Min, Shi Ping, Gu Deng [7357 3597], Gu Yuliang [7357 3768 5328], Gu Chuanxun [7357 0278 6064], Qian Zuezhong, Ni Tianzeng, Huang Ju, Huang Yuejin, Huang Furong, Hui Xiquan (female) [1920 3556 5425], Jiang Zhenzhen (female) [5592 3791 3791], Shu Wen, Zeng Qinghong, Jing Renqiu, Pei Xianbai, Pan Qichang, and Pan Weiming.

RUI XINGWEN ADDRESSES SHANGHAI WOMEN'S FORUM

OW081031 Shanghai City Service in Mandarin 0100 GMT 8 Mar 86

[Excerpt] Some 1,600 women representatives from all walks of life in Shanghai ceremoniously got together yesterday to celebrate the working women's red-letter day. Comrade Rui Xingwen addressed the gathering. He pointed out that women of the new society should play their due role in transforming and revitalizing Shanghai.

On behalf of the Shanghai Municipal CPC Committee, Wu Bangguo extended warm greetings to Shanghai's vast numbers of women, who have made major contributions in all spheres during the period of the Sixth 5-Year Plan. He urged women in Shanghai to work hard to fulfill the tasks put forward by the Fifth Shanghai Municipal CPC Congress and to become heroines of the 1980's.

Xing Zhikang, chairman of the municipal women's federation, asked women in Shanghai to foster lofty ideals, act with self-respect and poise, constantly improve themselves, and try hard to raise their ideological, political, scientific, and educational standards in order to meet Shanghai's needs in its modernization drive.

ZHEJIANG'S WANG FANG ON PROTECTING WOMEN'S RIGHTS

OW091250 Hangzhou Zhejiang Provincial Service in Mandarin 1000 GMT 8 Mar 86

[Secretary of the Zhejiang Provincial CPC Committee Wang Fang's 8 March radio and television speech: "Extensively Publicize and Seriously Implement Zhejiang Province's 'Regulations on Protecting the Legitimate Rights and Interests of Women and Children'" -- recorded]

[Excerpts] Comrades, today is International Working Women's Day. First let me extend on behalf of the Zhejiang Provincial CPC Committee and the provincial government, holiday greetings and cordial concern to women comrades who made positive contributions to the structural reform and socialist modernization on all fronts in our province.

On the eve of Women's Day, the 18th Session of the 6th Zhejiang Provincial People's Congress Standing Committee approved Zhejiang Province's "Regulations on Protecting the Legitimate Rights and Interests of Women and Children." This was a major event in the social life of all people, especially women, in our province. Extensively publicizing and seriously implementing the regulations should become a major part of the activities celebrating this year's Women's Day.

Cadres at all levels, particularly leading cadres, must serve as models in observing state laws and take the lead in acting in strict accordance with the law. We must not shut our eyes to actions that infringe on the legitimate rights of women and children, regarding them as trivial family matters. I am confident that if all of society acts together to seriously implement the regulations, the legitimate rights and interests of women and children can truly be protected.

GUANGDONG DISCIPLINE COMMISSION COMMENTS ON BRIBERY CASE

HK100602 Guangzhou YANGCHENG WANBAO in Chinese 5 Mar 86 p 1

[Report: "Punish Without Mercy Those Who 'Seek Personal Gain by Means of Loans' -- Provincial Discipline Inspection Commission Comments on Bribery Case Involving Responsible Persons of Changjiang County Agricultural Bank"]

[Text] In the illegal vehicle reselling incident on Hainan Island, in the name of paying service and introduction fees, commissions, percentage of profits, and so on, Chen Baoren, a peasant in Baoping District of Changjiang County in Hainan Island, wantonly offered bribes to corrupt and buy over director Wu Fagui and deputy director Wu Guangde of Changjiang County Agricultural Bank and some other individual leaders of the credit cooperative and office in Baoping District. He succeeded in acquiring a large loan of over 21.4 million. He used the money to speculate in buying and reselling \$2.4 million and 124 imported vehicles for a huge profit of over 330,000 yuan. This incurred a loss of as much as 1.36 million yuan to the National Bank and units concerned. During the process, he spent over 200,000 yuan offering bribes. This case has been investigated, tried and concluded by the People's Procuratorate in Changjiang County. Criminals like Chen Baoren, Wu Fagui, Wu Guangde, and so on, have been arrested according to law, and a total of over 160,000 yuan of illicit money has been recovered.

On 2 March the Guangdong Provincial CPC Commission for Discipline Inspection commented on this bribery case involving responsible persons of Changjiang County Agricultural Bank who abused their powers and "sought personal gain by means of loans." The full text of the comment is as follows: After accepting gifts and bribes offered by a speculator, the two responsible persons of Changjiang County Agricultural Bank abused their powers and broke the law by granting a large loan of over 20 million yuan to this speculator for him to engage in the illegal buying and reselling of foreign exchange and vehicles for profit. Such grave, unlawful practices as "seeking personal gain by means of loans," accepting bribes, and abusing powers is really astonishing and calls for deep thought!

The majority of the vast numbers of party members and cadres in our province's banking system are good and relatively good. However, there are still a few good persons in local cooperatives, bank offices and county (city) agricultural banks who: Gravely run counter to the state's credit orientation and policies; give up their duty of control and supervision; seek personal gain by abusing their powers in illegally accepting so-called "bonuses," "remunerations" and material objects offered by units applying for loans, and support or even directly participate in "briefcase" companies' speculation and profiteering activities. Regarding these types of grave unhealthy tendencies and unlawful practices, the banking system's CPC committees and discipline inspection commissions must seriously investigate and handle these cases whenever they are brought to light. They should not turn big problems into small problems and make small problems into no problems at all. Nor should they foster evil propensities by being over lenient. We should investigate and affix the responsibility of leaders for cases of dereliction of duty and serious bureaucratic work style, and punish without mercy, those people who seek personal gain by means of loans, violate the law and discipline, and incur serious losses to the state.

Banking is a hub of currency and fund circulations, linking the national economy and playing the important role of a level in national economic management. The vast numbers of party members, cadres, and workers and staff of the banking system of the whole province, must earnestly draw lessons from this case; conscientiously take a correct attitude toward business practice; be devoted to their duties; handle business affairs strictly in accordance with state regulations; effectively strengthen supervision work; and resolutely wage struggle against law and discipline offenses, so as to play their active role in the four modernizations drive.

GUANGDONG MEETING ON IMPROVING PARTY WORK STYLE

HK090656 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 5 Mar 86

[Text] This morning in Guangzhou, the provincial CPC Committee convened a work meeting on discipline inspection. The meeting was presided over by Lin Ruo, secretary of the provincial CPC Committee; and Wang Ning, deputy secretary of the provincial CPC Committee. (Wang Dongcun), Standing Committee member and Discipline Inspection at the meeting the spirit of the seventh plenum of the Central Discipline Inspection Commission. On behalf of the provincial Discipline Inspection Commission, Luo Jinchun, deputy secretary of the provincial Discipline Inspection Commission, delivered a report on last year's discipline inspection work in the province and on this year's main tasks for the work.

This meeting is a key one convened for the sake of promoting a fundamental turn for better in the province's party work style. The meeting will sum up and exchange the experiences of conducting education on party work style by studying the important instructions of the central authorities and central leaders on correcting party work style. It will also find facts in terms of reality, and formulate effective measures for this year's work of correcting the party work style, so as to promote and encourage the whole party in tackling the matter and make contributions toward achieving within 2 years a fundamental turn for better in the province's party work style.

Today's session was attended by over 600 people, including responsible people of the provincial CPC Committee, the provincial Advisory Commission, the provincial People's Congress Standing Committee, the provincial government and the provincial CPPCC; secretaries of various city and prefectural CPC committees; secretaries of various city, district and county discipline inspection committees; and responsible people of provincial organs.

HAINAN MEETINGS STUDY CENTRAL LEADERS' INSTRUCTIONS

HK090352 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 8 Mar 86

[Excerpt] The Hainan Regional CPC Committee and government recently held a meeting of the regional CPC Committee Standing Committee, an enlarged meeting of responsible persons of the regional government, and a meeting of leaders of regional organs, to seriously study the series of important instructions delivered by Premier Zhao Ziyang and other leading central comrades during their Spring Festival inspection of Hainan. They resolved to create a new situation in developing the building Hainan.

The participants all held: The extremely important instructions delivered by Premier Zhao and other leading central comrades during their 10-day inspection of Hainan have helped Hainan to further sum up experiences and lessons in implementing the guidelines for building the island and in the automobile incident. This shows the great concern and support of the CPC Central Committee and State Council for development and construction in Hainan.

Regional CPC Committee Secretary Yao Wenwu said: The evaluation of Hainan's achievements in the past 3 years reached by Premier Zhao and other leading central comrades just shows the correctness of the CPC Central Committee's principles and policies for building up Hainan, and encourages us to continue to advance in the correct orientation. It is not an evaluation of the Hainan leadership, nor does it say that we have not made mistakes or that our mistakes were not great. Hence, the leading comrades at all levels must be all the more prudent and cautious and be all the stricter in acting in accordance with the party's policies.

HENAN: YANG XIZONG CALLS FOR POPULARIZING TECHNOLOGY

HK070838 Zhengzhou Henan Provincial Service in Mandarin 2300 GMT 3 Mar 86

[Excerpts] At a recent meeting, after listening to the work report of the provincial scientific and technological committee, the principal leading comrades of the provincial CPC Committee and the provincial government, including Yang Xizong and He Zhukang, pointed out: The present focal point of our scientific and technological work is to do well in applying and popularizing technological achievements by focusing on economic construction.

He Zhukang, deputy secretary of the provincial CPC Committee and governor, said: We must concentrate our major efforts on applying and popularizing advanced technological achievements. This is a shortcut for invigorating the economy. It requires a small investment but can bring about great profits. This suits the local situation of Henan. Once we have done this, we can strive to minimize the developmental gap between the province and advanced provinces and regions.

On the scientific and technological market, Yang Xizong, secretary of the provincial CPC Committee, pointed out: To run a scientific and technological market is one of the important aspects of reforms of the scientific and technological structures. We must continue support its development and further consolidate, assimilate, augment, and perfect it. We must draw distinctions between practices of running a scientific and technological market and offering compensated services, and the practice of party and government organs and cadres running businesses.

Both Yang Xizong and He Zhukang urged all localities to actively do well in establishing extensive scientific and technological links and in forming economic combines engaged in scientific research, education, production, and operations, so as to closely combine the importation, assimilation, development, and innovation of technology. Then we will be able to promptly make scientific and technological achievements and advanced technology turn into productive forces.

HUBEI LEADER URGES DISCIPLINE INSPECTION COMMITTEE MEETING

HK090832 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 6 Mar 86

[Excerpts] The enlarged third plenum of the provincial Discipline Inspection Commission, which was held for 4 days, concluded today in Wuchang. The main aim of the plenum was to convey and act in the spirit of the seventh plenary session of the Central Discipline Inspection Commission; to study the issues of checking unhealthy tendencies, handling cases and correcting party work style; and to work out plans for this year's work of correcting party work style.

During the meeting, Guan Guangfu, secretary of the provincial CPC Committee, attended and held a forum with some of the participants. He listened to their opinions on the work of correcting party work style.

Zhao Fulin, deputy secretary of the provincial CPC Committee and secretary of the provincial Discipline Inspection Commission, made a speech at the plenum. Ding Fengying, Standing Committee member of the provincial CPC Committee and deputy secretary of the provincial Discipline Inspection Commission, gave a work report.

The plenum held: Last year, the province's CPC and discipline inspection committees at various levels seriously acted in the spirit of several central instructions on correcting new unhealthy tendencies. By checking the unhealthy tendencies and handling the cases in connection with reality, they did a lot toward educating party members and cadres on party spirit, party work style and party discipline. After the efforts of various sectors, we have basically checked some new unhealthy tendencies, have brought some under control and have made some people restrain themselves. The main stream of party work style is good. However, there is still a wide gap between our present situation and the requirement of achieving a fundamental turn for the better in party work style. Therefore, the plenum proposed:

First, CPC committees at various levels must adopt effective measures to seriously check several prominent unhealthy tendencies.

Second, we must seriously grasp well education on party spirit, and improve the quality of party members. We must launch widespread education among the party members of resisting liberalism, bureaucratism, individualism and departmental selfishness. We must conduct in-depth education of party spirit, which focuses on ideals and discipline.

Third, we must seriously consolidate discipline. During this year all localities, departments, sectors and units must examine and consolidate their situation in terms of discipline.

The plenum stressed: Leading cadres must take the lead in correcting party work style and checking unhealthy tendencies. In the work, every leading cadre must set examples for the lower level by carrying out practical work. We must further implement the responsibility system in correcting party work style, so as to really promote a situation in which the whole party grasps work style. Whenever a department at a certain level cannot correct serious, unhealthy tendencies, the leadership of that department at that level should be regarded as incompetent and malfeasant, and must be held accountable.

HUNAN LEADERS MEET MEMBERS OF ADVANCED EXAMPLE GROUP

HK081142 Changsha Hunan Provincial Service in Mandarin 1100 GMT 6 Mar 86

[Text] This morning, leading comrades of the provincial CPC Committee cordially met all members of the provincial advanced examples report group, praising them for making remarkable contributions in building the two civilizations and encouraging them to act as glorious messengers in propagating spiritual civilization.

At 0830, Mao Zhiyong, Xiong Qingquan, Liu Zheng, Liu Fusheng, Xia Zhanzhong, and Shen Ruiting went to the conference room of the No 9 guesthouse of the provincial CPC Committee, when they cordially shook hands with members of the report group.

The comrade in charge of the organizational work of the group gave a briefing to the leading comrades of the provincial CPC Committee on every member. After the meeting, the leading comrades and all members of the group had a group photo taken to mark the occasion.

With the encouragement of the leading comrades of the provincial CPC Committee, the group was divided into three sub-groups this afternoon and went to all prefectures and cities to give reports.

HEILONGJIANG SECRETARY ATTENDS MEETING ON PARTY STYLE

SK111509 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 10 Mar 86

[Text] The Heilongjiang Provincial CPC Committee held a conference on the work of correcting party style in Harbin's Beifang Building on the morning of 10 March. Liu Chengguo, deputy secretary of the provincial CPC Committee, presided over the conference. Present at the conference were Sun Weiben, secretary of the provincial CPC Committee; Zhang Lin, vice chairman of the provincial Advisory Commission; and Wang Fei, secretary of the provincial Discipline Inspection Commission.

This conference was of great significance for correcting our province's party style and realizing a fundamental turn for the better in party style. The provincial CPC Committee has attached importance to the conference. The provincial CPC Committee had convened two Standing Committee meetings to discuss the issue concerning correcting party style before this conference. The provincial CPC Committee defined this conference as one to mobilize the entire party to work for the realization of a fundamental turn for the better in party style.

Xie Yong, deputy secretary of the provincial Discipline Inspection Commission, relayed the guidelines of the important speeches and the written instructions concerning correcting party style made by the central leading comrades and the guidelines of the seventh session of the Central Discipline Inspection Commission.

HEILONGJIANG'S SUN WEIBEN SPEAKS AT MEETING OF CADRES

SK080507 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 7 Mar 86

[Text] This morning the provincial CPC Committee held a meeting of leading cadres of the organs directly under the province, urging the organs to achieve a fundamental turn for the better in party style by the end of the year. Sun Weiben, secretary of the provincial CPC Committee, spoke at the meeting. He said: In order to fundamentally improve the party style of the provincial organs within this year, leading persons at all levels should have their responsibilities clearly defined, attend to the two civilizations simultaneously, and achieve good results in both of them. They should have a strong sense of responsibility when attending to the improvement of party style, and use and assign the people who have both political integrity and ability. Being revolutionary is still a major political integrity of cadres.

Sun Weiben stressed that leading cadres at all levels should set an example, and take the lead in improving party style and social conduct.

Zhou Wenhua, deputy secretary of the provincial CPC Committee, spoke on the basic evaluation of the previous work of rectifying party style carried out by provincial organs, and as arrangements for future work. He said: The provincial organs achieved a good beginning in rectifying party style in the previous period. In the next period, the general requirement is to carry out the work through to the end in a steady and solid manner. He said: Leading persons should have firm determination. Through discussions, the Standing Committee of the provincial CPC Committee explicitly demanded that provincial organs, after 1 year of ceaseless efforts, fundamentally improve their party style within this year. Once they are determined, they should match their deeds with their words. Otherwise, they will lose the trust of the masses and affect the improvement of the party style of the CPC committees and all levels throughout the province, and also the progress of reform and construction.

Zhou Wenhua said: There should be strict criteria for rectifying party style, and simultaneous rectification and correction of mistakes should be carried out conscientiously. Departments directly under the province should formulate measures to ensure the fundamental improvement of party style within the year.

Top and second leaders of all departments should personally pay attention to party style, and every level should shoulder its responsibility. Otherwise, they will be considered being negligent of their duties. They should step up investigations and handling of major and appalling cases and, at the same time, strengthen education on party spirit, and consolidate discipline strictly.

Wang Fei, secretary of the provincial Discipline Inspection Commission, relayed to the leading cadres of the provincial organs the guidelines of the seventh plenary session of the Central Discipline Inspection Commission.

HEILONGJIANG'S SUN WEIBEN SPEAKS AT RALLY FOR WOMEN

SK080630 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 7 Mar 86

[Text] This afternoon in Harbin the provincial Women's Federation held a ceremonious commendatory rally to mark the 8 March International Laboring Women's Day. (Hao Diyu), (Ma Jiru), and 28 other persons were conferred the title of advanced woman in building the socialist spiritual civilization. The Women's Federation of (Zhiyi) Town of Mishan County, and other four units won the honorary title of advanced unit in building the socialist spiritual civilization.

The rally was presided over by Liang Weiling, chairman of the provincial Women's Federation. Attending the rally were leading comrades of the provincial CPC Committee, Advisory Commission, People's Congress Standing Committee, government, CPPCC Committee, Discipline Inspection Commission and military district, and leading comrades of the PLA units stationed in the province, including Sun Weiben, Chen Yunlin, Liu Chengguo, Li He, Zhang Xiangling, Wang Zhao, Wang Fei, Lu Guang, Wang Jun, Wang Lianzheng, (Wang Hongbo), and (Zhang Zhenying), and retired cadres of the province, including Zhao Dezun. Also present were representatives of various relevant provincial units, and women representatives of various nationalities from various circles, totaling more than 200.

Provincial leading comrades presented awards to the commended 30 advanced women and 5 advanced units.

Sun Weiben, secretary of the provincial CPC Committee, spoke at the rally. On behalf of the provincial CPC Committee and government, he extended festive greetings to the 30 comrades who won the title of advanced woman in building the socialist spiritual civilization and to the masses of women throughout the province. He urged party organizations at all levels to place women's work high on their agenda and conscientiously help women resolve difficulties. He said: All quarters of society should show concern for women, earnestly implement the various stipulations of the Constitution concerning equality between men and women, and punish according to law all criminal deeds that discriminate against, devastate, and persecute women. The masses of women should respect and love themselves, conduct themselves with dignity, make improvements, diligently study general, scientific and technical, and professional knowledge, and strive to score first rate achievements in their own work.

Comrade Sun Weiben particularly urged the nearly 230,000 women party members throughout the province to build up their party spirit more intensively, set strict demands on themselves, set an example for women with their actual deeds, and act exemplarily in rectifying party style.

JILIN PROVINCIAL PEOPLE'S CONGRESS SESSION OPENS

SK101040 Changchun Jilin Provincial Service in Mandarin 1030 GMT 9 Mar 86

[Excerpts] The fourth session of the Sixth Jilin Provincial People's Congress ceremoniously opened at the auditorium of the provincial guesthouse in Changchun this morning.

Soon after 0800, beaming with satisfaction and shouldering the heavy trust of the 23 million of people of the province, the 518 deputies of various nationalities from various localities, fronts, and circles came successively to the auditorium of the provincial guesthouse. The entire assembly hall was permeated with a warm atmosphere of unity, reform, and struggling for improvements.

The executive chairmen of today's session were the executive members of the congress presidium. Their names were given in the order of the number of strokes in the surmanes: Wang Jiren, Wang Xianjin, Renqinzhamusu, Cheng Shengsan, Liu Cikai, Zhu Jinghang, Wu Duo, Yu Ruihuang, Zhao Xiu, Gao Di, Xu Yuancun, Cui Lin, Dong Su, and Huo Mingguang. Members of the congress presidium sat on the rostrum. Also sitting on the rostrum were leading comrades of the provincial CPC Committee, the provincial Advisory Commission, the provincial government, the provincial CPPCC Committee, and the provincial Discipline Inspection Commission, including Wang Zhongyu, Wang Daren, Liu Jingzhi, Zhang Shiyang, Liu Yunzhao, (Du Qingyun), (Li Zemin), Gao Wen, Liu Shulin, Zhang Fengqi, Zhang Dexin, Guan Mengjue, He Yunqing, Geng Yuelun, Luo Yuejia, Xin Cheng, Jin Minghan, and Cai Qiyun. Song Jiehan, member of the Central Discipline Inspection Commission; Li Diping, Yu Lin, Yu Ke, Zhang Kaijing, Mu Lin, Zhao Tianye, Yang Zhantao, Che Minqiao, and Cui Cai, retired veteran cadres of the province; Wang Hongmo, president of the provincial Higher People's Court; and members of provincial CPPCC Committee to the fourth session of the fifth provincial CPPCC Committee attended today's session as observers.

At 0830 Zhao Xiu, executive chairman of the congress session, declared the opening of the fourth session of the sixth provincial people's congress.

Governor Gao Dezhan delivered a government work report on behalf of the provincial people's government. His report was composed of two parts: 1) on the work of 1986; and 2) on 1986's tasks.

In the first part of his report, Governor Gao Dezhan pointed out: Last year we reaped a fairly good harvest despite the serious disasters of floods and waterlogging. Industrial production developed in a sustained, stable, and coordinated manner and economic results further improved. The output value, taxes, profits, and financial revenue grew simultaneously. Under the guidance of state macroeconomic control, we fulfilled the capital construction plan in a fairly good manner. Educational undertakings received better attention and various social undertakings continued to unceasingly develop in the course of reform. We also made new progress in cultural, artistic, broadcasting, film, television, press, publication, sports, public health, and family planning work. We made new strides forward in scientific and technological reform, rendering better services to economic construction. The financial situation further improved and credit funds were brought under further control. Domestic and foreign trade greatly developed, and the urban and rural markets were brisk and prosperous. Along with the development in production, the livelihood of the people further improved. We strengthened political and legal work and further improved social public security. While grasping material civilization, we also strengthened spiritual civilization. Preparations for the implementation of the Seventh 5-Year Plan were made.

After that, Governor Gao Dezhan pointed out: There are still many difficulties facing us and there are many problems which we must not ignore in our work. Our province's favorable conditions in scientific research have not yet been fully displayed and our agricultural sector's ability to resist natural disasters is fairly weak. All trades and professions are backward in management and the phenomenon of neglecting ideological and political work still generally exists. Under the leadership of the party, we should strengthen our confidence in overcoming difficulties and solving problems in order to achieve new successes and to create a new situation.

In the second part of Governor Gao Dezhan's report, he explicitly pointed out: This year, the nine specific tasks facing the people of various nationalities throughout the province are: 1) Agricultural production should be restored to the level before the disasters and the rural commodity economy should be comprehensively developed; 2) in industry, we should further raise economic results, maintain a proper growth rate, make improvements in raising economic results, create foreign exchange through exports, and in operation and management; 3) in capital construction, we should continue to control the scope of investment in fixed assets and strengthen the construction of key projects; 4) we should strive to develop educational, scientific, technological, and cultural undertakings as well as some other social undertakings; 5) in financial and banking work, we should further strengthen and improve macroeconomic control in order to ensure and promote economic development; 6) we should invigorate the circulation channels, stabilize markets, and expand domestic and foreign trade; 7) we should persist in grasping production and the people's livelihood simultaneously and strive to improve the people's livelihood; 8) we should realistically strengthen political, legal and civil administration work, safeguard social order, and guarantee social stability; and 9) all fronts and all trades, professions and departments should actively pioneer the road of advance and make improvements, work in a down-to-earth manner, and score new achievements.

Attending today's session as observers were the principal responsible comrades of the provincial People's Procuratorate, and the various commissions, offices, departments and bureaus of the provincial government, responsible comrades of some city, autonomous prefectural, county, and district people's congress standing committees, and responsible persons of the Baicheng office.

The fourth session of the Sixth Jilin Provincial People's Congress continued its plenary meeting in the afternoon. The meeting was presided over by Liu Cikai. At the meeting, Li Decheng, chairman of the provincial Planning and Economic Commission, delivered a report on Jilin Province's 1986 economic and social development draft plan. His report was composed of two parts: 1) on the implementation of the plan in 1985; and 2) on the planned tasks and major targets for 1986.

(Ying Jieping), director of the provincial Financial Department, delivered a report on Jilin Province's 1985 final accounts and on 1986 draft budget. His report was composed of three parts: 1) on the 1985 final accounts; 2) on the 1986 draft budget; and 3) on ways to struggle for successively fulfilling the 1986 budget.

The executive chairman of the meeting were Huo Mingguang, Liu Cikai, Wu Duo, Cui Lin, Wang Jiren, Yu Ruihuang, Xu Yuancun, (Wang Li), (Tao Longhao), and (Liu Cunren).

Members of the provincial CPPCC Committee to the fourth session of the Fifth Jilin Provincial CPPCC committee attended the meeting as observers.

Namelist of Personnel Changes

SK070757 Changchun JILIN RIBAO in Chinese 22 Feb 86 p 1

[Namelist of personnel appointments and removals adopted at the 17th Standing Committee meeting of the 6th Jilin Provincial People's Congress -- date not given]

[Text] Xu Yuancun was appointed (concurrent) secretary general of the Jilin Provincial People's Congress Standing Committee; and Wang Yunkun [3769 0061 0981], as director of the Jilin Provincial Engineering and Electronics Industrial Department.

Di Gong was dismissed from the posts of secretary general of the provincial People's Congress Standing Committee and head of the General Office of the provincial People's Congress Standing Committee. Wang Jiatong was dismissed from the post of director of the Jilin Provincial Engineering and Electronics Industrial Department.

JILIN SECRETARY SPEAKS AT GREENING COMMITTEE MEETING

SK070620 Changchun Jilin Provincial Service in Mandarin 2200 GMT 5 Mar 86

[Excerpts] The provincial Greening Committee held the sixth plenary session in Changchun on the afternoon of 5 March.

The session stressed: The key to achieving the afforestation work is to establish and perfect the economic responsibility system on the premise of relying on both policies and science. We must focus this year's afforestation work on cities. Simultaneously, the rural areas should put stress on planting trees around villages and houses along streets and rivers.

Comrade Hui Liangyu, Standing Committee member of the provincial CPC Committee, presided over the session. In his speech to the session, Comrade Gao Di, secretary of the provincial CPC Committee, expounded the great significance of the work of making the country green, the province's current afforestation situation, and the existing problems concerning afforestation.

He stressed: We must rely on first policies and second science, and work out the economic responsibility system by taking into consideration the interests of the state, the collectives, and the individuals in order to achieve the afforestation work. All barren mountainous areas and wastelands should be afforested on a responsibility basis within a specific time. We should focus this year's afforestation work on the cities. Simultaneously, the rural areas should put stress on planting trees around villages and houses and along streets and rivers. Further efforts should be made to enhance the work of designating privately owned hilly areas and the hilly areas contracted for development, and entrusting the mountainous areas to somebody for management. We should try our best to plant more trees.

This year we should organize forces to expand the scale of afforestation and to carry out the afforestation work in a down-to-earth manner with a view to scoring notable achievements in it. The CPC committees at all levels should strengthen their leadership over afforestation work. The governments, the propaganda departments, trade unions, youth federations, and women's federations should closely work together to organize forces to disseminate the afforestation work and to mobilize the people on all fronts to engage in the work. We should oppose formalist practices and integrate the work of making the country green with the five-stress and four-beauty campaign and the work of everybody taking the responsibility for improving environmental sanitation, planting trees, and safeguarding public security so as to promote the realization of a fundamental turn for the better in social order.

Comrade Gao Wen, vice governor of the provincial government, made a speech.

FOURTH SESSION OF FIFTH JILIN PROVINCIAL CPPCC COMMITTEE OPENS

SK091214 Changchun Jilin Provincial Service in Mandarin 1030 GMT 7 Mar 86

[Excerpts] The Fourth Session of the Fifth Jilin Provincial CPPCC Committee opened in the auditorium of the provincial CPPCC Committee in Changchun this morning.

A total of 351 members of the provincial CPPCC Committee from all over the province gathered in high spirits in the newly decorated assembly hall. Among them are responsible persons and members of the various democratic parties, persons from the cultural, scientific and technological, and educational circles, people of minority nationalities, personages from religious circles, Taiwan compatriots, family members of Taiwan compatriots, returned Overseas Chinese, family members of Overseas Chinese, and persons without party affiliation who have made outstanding contributions to the four modernizations. Members of the National CPCC Committee who are staying in Changchun, responsible comrades of various city, autonomous prefectural, county and district CPPCC committees, and responsible comrades of various prefectural united front work departments attended as observers. Bringing with them the desire for building and revitalizing Jilin harbored by the people of various circles throughout the province, they gathered here and decided to turn this session into one for making explorations and working together.

Attending the opening ceremony were Liu Jingzhi, chairman, and Zhang Fengqi, Zhang Dexin, Guan Mangjue, Geng Yuelun, Luo Yuejia, Xin Cheng, Jin Minghan, and Cai Qiyun, vice chairmen of the provincial CPPCC Committee; Wang Xianjin and Wang Zhongyu, deputy secretaries of the provincial CPC Committee; Wang Daren, chairman of the provincial Advisory Commission; Zhao Xiu, chairman of the provincial People's Congress Standing Committee; Gao Dezhan, provincial governor; and (Li Deming), secretary of the provincial Discipline Inspection Commission; attended to warmly extend congratulations on the opening of the session. Also present at the opening ceremony were (Feng Ximing), director of the United Front Work Department of the provincial CPC Committee and Che Minqiao and other retired comrades.

Liu Jingzhi, chairman of the provincial CPPCC Committee, presided over the opening ceremony.

[Begin recording] [Liu Jingzhi] Vice Chairman Zhang Fengqi will now give us a report on the work of the Standing Committee of the Fifth Jilin Provincial CPPCC Committee.
[end recording]

In his report, Zhang Fengqi spoke highly of the great achievements our country has scored in building socialism with Chinese characteristics and fully affirmed the remarkable results our province has achieved since last year in various fields of reforms and in the antiflood and rescue work. He also reviewed the major work performed by the provincial CPPCC Committee the past year.

Jin Minghan, vice chairman of the provincial CPPCC Committee and chairman of the Motions Work Committee, delivered a report on the situation in handling motions since the Third Session of the Fifth Provincial CPPCC Committee. Xin Cheng, vice chairman of the provincial CPPCC Committee, relayed the guidelines of the just concluded national forum on local CPPCC work.

PREMIER COMMENTS ON ADB MEMBERSHIP, SHAREHOLDING

OW120253 Taipei CNA in English 0240 GMT 12 Mar 86

[Text] Taipei, March 11 (CNA) -- The Republic of China subscribed to its shares in the Asian Development Bank [ADB] in accordance with the population in the regions where the government was in full control when it was admitted to the Manila-based regional bank, Premier Yu Kuo-hwa said Tuesday. In response to an intepellation by Legislator Chiang Peng-chien concerning the ROC membership in ADB, the premier said the way the ROC has been calculating its donation to ADB does not necessarily mean that the nation has given up the China mainland which is now occupied by the Chinese Communists. However, the Government also explained to ADB that the nation would revise its subscriptions once the mainland was recovered, indicating clearly that the ROC does not give up the mainland area, he emphasized.

'ABSOLUTELY NO MILITARY INTERFERENCE' IN POLITICS

OW120315 Taipei CNA in English 0254 GMT 12 Mar 86

[Text] Taipei, March 11 (CNA) -- Premier Yu Kuo-hwa solemnly pointed out Tuesday that in the Republic of China there is absolutely no military interference with politics. Such a scenario is also impossible, he added. The nation's armed forces have defended the sovereignty and freedom of this country. They have perfect discipline, high morale and are well-organized, Yu said, replying to an interpellation by legislators Cheng Yu-cheng and Chang Chun-hsiung Tuesday. Over past decades, the dedicated military forces have not only safeguarded national security but also secured the success in the implementation of the democratic constitutional policy in the country, the premier pointed out. Their great contributions have been generally recognized, he added.

He stressed the nation's armed forces have moved in full accordance with the provisions of the Constitution. They have no limitation in personal, regional and factional relations and are absolutely loyal to the nation and benevolent to the citizenry. The Constitution also provides that no factions or individuals are allowed to use the military as a political tool, he said. The military's personnel and financial affairs as well as their educational and training programs, assignments and discharge affairs have also been managed according to the law. Their systematization has made it impossible for the armed forces to operate on the personal orders of a lone individual, Premier Yu said.

NO 'CRISIS OF STRONG-MAN POLITICS' SEEN

OW120259 Taipei CNA in English 0235 GMT 12 Mar 86

[Text] Taipei, March 11 (CNA) -- Premier Yu Kuo-hwa said Tuesday that the Republic of China is a nation of constitutional rule, and therefore, the so-called "crisis of strong-man politics" or the "succession issue" does not exist in this nation. In response to a joint interpellation by six non-partisan legislators led by Cheng Yu-cheng at the Legislative Yuan, Yu stressed that the people in this nation are very grateful for what the late President Chiang Kai-shek and President Chiang Ching-kuo have done for the nation. He said the ROC has never been troubled by the "succession issue" because all ROC presidents have been elected according to the stipulations of the Constitution.

Yu said that President Chiang has stated very clearly that the next ROC president will not be and cannot be a member of his family. "This is sufficient evidence that the so-called "strong-man politics" does not exist in this nation," he said.

He reiterated the government's determination to carry through constitutional rule, saying that although the nation is still in a struggle against the Peiping regime, the government has never slowed down its pace in implementing democratic politics. Any proposal to revise the Constitution must be brought up according to the procedures enunciated in the Constitution, he said. Yu indicated that the temporary provisions effective during the period of communist rebellion is a law worked out by the government according to the Constitution with the aim of safeguarding the constitutional rule and the stability and prosperity on the bastion of national recovery on Taiwan during an extraordinary period.

CHINA POST EDITORIAL ON HONG KONG AFTER 1997

OW111104 Taipei CHINA POST in English 7 Mar 86 p 4

[Editorial: "Hong Kong 1997"]

[Text] The two way trade between Taiwan and Hong Kong last year hit US\$2,858 million, an increase of US\$400 million from 1984. This trade volume made Hong Kong the third largest trading partner of the Republic of China, next only to the U.S. and Japan. In addition to trade, the ROC maintains close cultural, artistic, athletic and financial relations with the "Pearl in the East." That is one of the reasons why the ROC government and people are concerned about the impact of mainland China's plans to annex the port city in 1997.

Though with 11 years to go, the crucial status of Hong Kong as a reexport center between mainland China and the ROC justified the call to guard against Peking's "one country, two systems" tactics. The inconsistent Communist plan, as some political analysts have said, will not work in Hong Kong, much less in Taiwan.

Though close neighbors separated only by a narrow strip of water, Taiwan and Hong Kong have entirely different historical backgrounds. Since Japan withdrew from Taiwan in 1945 at the end of World War II, the ROC has had an independent and autonomous Government here with strong defense capabilities. Hong Kong, however, was leased "in perpetuity" to the British Empire in 1842 at the end of the Opium War.

Ironically, owing to Peking's unending attempts to lure Taiwan, Hong Kong, as a showpiece, may be able to maintain its capitalist system for a time as Red China has promised. Also, with its foreign exchange reserves running dangerously low, Red China may after all have to keep Hong Kong as a magnet of world trade to earn vital foreign exchange. Thus, as long as the ROC is strong enough to be a deterrent to mainland China, it is safe to say that Hong Kong may remain politically neutral.

This delicate situation may on the one hand strengthen the ROC's determination to maintain its one China policy and to achieve its goal of reunifying China under the Three Principles of the people.

On the other hand, as Prof Chiu Hungdan of the University of Maryland has pointed out, the U.S. arms sales to the ROC to help reinforce its self defense capability will help protect U.S. political and economic interests in the British colony. At present, Hong Kong has 14,000 Americans residing there. Every year, half a million U.S. tourists pour into the port city. In 1984, U.S.-Hong Kong bilateral trade reached US\$11 billion. The Communist presence looming over the colony must also be worrisome to the U.S.

Though it is not the ROC's wish that Hong Kong should fall into Communist hands, 1977 could be a turning point for the ROC's return to mainland China. For one thing, Taiwan will have to find a replacement for its current transshipment center in Hong Kong, and new markets for its exports too. The heavy tariffs levied by Japan rule out as one alternative. Singapore, a city state that maintains no official relations with either Taipei or Peking, may be an ideal place, but shipping costs would probably prove prohibitive. If transshipment is not feasible after 1997, the ROC may have to upgrade its scientific technology and improve its economic structure so as to attract new buyers and open new markets abroad.

Meanwhile, Peking's takeover of Hong Kong would also provide the means to export the success of the ROC to mainland China. Though the greatest majority of Hong Kong residents are refugees from mainland China, together they have built the British colony into a free-market haven, with an efficient government, high productivity, rapid development and an outstanding financial system. It would be a loss not only to Hong Kong but to the world if all the achievements made by the capitalist port city should be ruined overnight.

However, history has told us that when it comes to choosing between political doctrines and economic gains, Peking will likely decide on communism for Hong Kong in order to maintain its political "legitimacy." Economic gain is not an indispensable factor in Red China's public decision making. When all factors are taken into account, Hong Kong may end up to be the greatest loser after all, as Prof. Jan S. Prybyla of Pennsylvania State University said.

PRC SUMMATION OF SIXTH 5-YEAR PLAN VIEWED

HK110739 Hong Kong HSIN WAN PAO in Chinese 7 Mar 86 p 2

["New Talk" Column: "Simultaneous Flourishing of the Economy and the Civilizations"]

[Text] Beijing has summed up the Sixth 5-Year Plan, between 1980 and 1985, as "the 5 years which have witnessed the most flourishing vitality in economic development." The signs of flourishing vitality are manifested in changes in the following aspects: First, the harmonious proportion between agriculture, light industry, tertiary industry, and heavy industry; the developing rate of heavy industry has been reduced, and the accumulation rate lowered, which is favorable in speeding the development of agriculture and light industry. Second, the commodity economy is in the ascendant; within the 5 years, the total turnover from social retail more than doubled from 21 billion yuan to over 43 billion yuan. Third, the horizontal economy had expanded rapidly, economic and technological cooperation had been developed between all regions, and all trades. And fourth, the simultaneous development of multiple economic forms enabled the individual and collective economies to redevelop during the past 5 years.

The 5 years that witnessed the most flourishing vitality, propelled the development of China's industrial and agricultural production and structural reforms have been conducted, which will better suit the national conditions of China. Along with these, is the improvement by a large margin, in the economic life of the people in both the urban and rural areas throughout the country, compared with a decade and more ago.

The Seventh 5-Year Plan, beginning in 1986, has drawn up considerable long-term and sufficient development targets for light industries such as foodstuffs, garments, consumer durable goods, papermaking, synthetic detergents, plastic products, photo-sensitive materials, leather, sports and recreational goods, artistic and handicraft articles, and articles for interior decoration. Thus, the appropriate proportions between agriculture and light industry will be all the more harmonious. It is expected that people's needs in improving their life will be further satisfied.

We can say the 5 years which witnessed the most flourishing vitality in economic development were the important years in the four modernizations of China, as well as in building a socialist country with Chinese characteristics. People are still exploring what specific meanings are implied in the expression "Chinese characteristics". However, the changes in the four aspects of modernization during the past 5 years have doubtlessly brought about their embryonic forms.

In the years that witnessed the most vitality in economic development, China has simultaneously focused on the development of socialist democracy and making perfect and complete the socialist legal system. Deng Xiaoping has recently pointed out: "In pursuing the four modernizations, it is imperative to adopt dual tactics; it won't do with a single tactic. Dual tactics means grasping construction on the one hand, and grasping the legal system on the other." In other words, economic construction and building the civilizations should be carried out simultaneously, and they should flourish at the same time.

At the recent national work conference on political science and law, Qiao Shi, secretary of the Central Political and Legal Commission touched upon some problems concerning work on the legal system. According to him, China is to "realize stability and change for the better in social order" during 1986. Social order has turned markedly for the better during the past 2 years, and the incidence of social crime has dropped with each passing year, as economic criminal activities have reduced somewhat. In 1985, the number of criminal case uncovered had dropped from around 800,000 in 1982 to over 500,000, of which, 80 percent were burglaries and thefts.

This shows that the social order trends are good. Some cases of burglaries and thefts were rather serious. However, the majority of them were non-serious cases. No doubt, it is rather easy to eliminate the emergence of such cases.

At present, the incidence of criminal cases throughout the country is dropping, and may continue to drop while Beijing is stressing the crack down on criminal cases and economic criminal cases with action. The turn for the better in the social order and atmosphere and the gradual expansion, perfection, and completion of socialist democracy and the legal system supplement each other.

AGREEMENT WITH FRENCH REACTOR BUILDER 'EXPECTED'

HK080508 Hong Kong SOUTH CHINA MORNING POST in English 8 Mar 86 p 9

[By Albert Chan]

[Text] China is expected to sign letters of intent with the French in the next few days for the construction of the \$27 billion Daya Bay project. Framatome, the French nuclear reactor manufacturer is confident about signing the long-awaited document either today or early next week. Another French firm, Electricite de France [EdF], responsible for overall engineering design, is also ready for signing. "The negotiations are over and we are busily checking and correcting the many documents," said an executive with Framatome last night from Shenzhen.

The British industrial giant, General Electric [GEC] on the other hand is lagging behind in the negotiations with the Chinese to sign a letter of intent for the sale of conventional power generating machines to the plant. Top officials at the Guangdong Nuclear Power Joint Venture Co (GNPJVC), the company set up by the Chinese authorities with Hong Kong's China Light and Power Co., yesterday confirmed that discussions with the British on the document have met problems that caused delays in the signing of the letter of intent. "Our talks with the French have been smoother than with the British," said one Chinese official who also disclosed that one thorny problem is about loan arrangements. "The British have to further consult with their head office in the United Kingdom before final decisions on various points can be made and that has caused some delay," the official explained. But he declined to give more details.

According to the original timetable, letters of intent should have been signed between the GNPJVC and the equipment suppliers on March 1 but because of the large volume of paperwork involved, the signing was postponed. Officials have been reluctant to specify any date for signing for fear that it will not be met. But the general expectation is that the letter of intent with GEC will be ready by the end of next week.

About 10 executives and engineers from Framatome's Paris headquarters arrived in Shenzhen late last month to work on the final details of the letter of intent. The group was led by Mr D. Degot, one of the directors of the firm, who will sign the document. "We expect to sign together with EdF," said a Framatome executive yesterday.

The chairman of the GNPJVC, Mr Wang Quanguo, will be coming to Hong Kong this weekend for a week's visit. Chinese officials explained that the general manager of the GNPJVC will be authorised to sign the document and it is not necessary for the company chairman to be present.

After more than five years of tough negotiations, China signed in late December a memoranda of understanding with GEC, Framatome and Electricite de France. Officials explained that much work needed to be done after that before letters of intent would be ready for signing -- the last step before a formal contract.

After the conclusion of the letters of intent, the mammoth document will be submitted to the Chinese, French and British Governments for close scrutiny and approval before the companies involved can sign them. Government approvals are expected to take six months at least which means the contracts probably will not be signed before September.

Since the contract stipulated that the first reactor of the plant has to be ready for full commission six years after the signing of the contracts, the commissioning date is expected to be in September 1992.

Any delay in the commissioning date may mean shortage in power supply to Hong Kong because planned power generating capacity of China Light and Power, which supplies power to the greater part of the territory, will only be able to cope with demand up to the middle of 1992.

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